responsibility and direct intervention are unlikely to be available options.

'Falling from Grace' is taken from the chorus to the Robbie Williams single, *Millennium*.

1 A view forcefully expressed in S. Bayley, *Labour Camp*, Pan, 1999.
2 See e.g. C. Smith, *Creative Britain*, Faber, 1998, p. 127.
3 See the bleak assessment in J. McGuigan and A. Gilmore, 'The Millennium Dome: Sponsoring, Meaning and Visiting', *International Journal of Cultural Policy*, May 2002.
4 Comptroller and Auditor General, *The Millennium Dome*, HC 936, 1999–2000; Committee of Public Accounts, *The Millennium Dome*, HC 516, 2001–02.
5 A. Irvine, *The Battle for the Millennium Dome*, Irvine News Agency, 1999, p. 85.
6 For an illustrated account of the actual construction of the Dome see E. Wilhide and S. Jenkins, *The Millennium Dome*, HarperCollins, 1999.
7 McGuigan and Gilmore, loc. cit.
8 HC 936, paras 1.3 and 1.5.
9 S. Ingle, 'Politics in 2000', *Parliamentary Affairs*, April 2001.
10 A. Nicolson, *Regeneration: The Story of the Millennium Dome*, HarperCollins, 1999, p. 2.
11 Smith, op. cit., p. 127.
12 See the case of the Arts Councils in Britain in C. Gray, *The Politics of the Arts in Britain*, Macmillan, 2000.
13 Select Committee on Culture, Media and Sport, *Second Report: The Millennium Dome*, 1997–98.
14 Department for Culture, Media and Sport, *The Millennium Dome: Government Response*, Cm. 3886.
15 See Cm. 3886 where the government instructed both to undertake contingency planning.

Clive Gray

The Politics of Arts and Cultural Policy

Thesis presented to De Montfort University in partial fulfillment of the requirements for the degree of Doctor of Philosophy

December 2003

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The Politics of Arts and Cultural Policy (PhD by Publication)

Abstract

The Thesis draws on the arguments, themes and issues that have been developed through a number of publications concerning the politics of arts and cultural policy.

The Thesis contains a development of the commodification thesis and the policy attachment argument. These new approaches to the analysis of public policy have been specifically applied to arts and cultural policy. The major focus of this application has been on Britain over the last 50 years, and has incorporated national, regional and local levels of analysis. In addition developments in Europe have been considered.

A major theme concerns the necessity for methodological pragmatism in undertaking research within these policy areas. Such an approach allows for the development of appropriate analytical tools for complex policy systems.

The validity and utility of the commodification thesis and policy attachment argument as tools for policy analysis are discussed.

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My thanks go to the usual suspects in all my writing. Some of these people have already been acknowledged in the published work that forms the bulk of this submission. Regardless of that the usual listing follows: direct help through commenting on the Thesis and those who contributed outside of work.

In the first category thanks go, in reverse alphabetical order, to my supervisors, Vivien Lowndes, Martyn Denscombe and Franco Bianchini, without whom, etc. etc. Seriously, thanks to all of them for getting me to complete this with their comments and ideas incorporated. The time and effort that they have put into this is greatly appreciated. Thanks also to all of the staff in the Research Office for their efficiency and their ability to answer all of my questions from the trivial to the important with equal grace and competence.

Secondly, thanks to my family, Chrissie, Caitlin and Laurie, even if the latter two are not even aware that I have written this Thesis. Thanks also to my piano teacher, Marguerite Beatson, for pianistic encouragement and support – she doesn't know that I've written this Thesis either and consequently cannot take responsibility for it.

Responsibility for the arguments and ideas that are expressed in this Thesis rests with me.

Clive Gray

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The Commodification of Cultural Policy in Britain, pp. 307-15 in J. Lovenduski and J. Stanyer (Eds), *Contemporary Political Studies, 1995* (Belfast, Political Studies Association, 1995)

Comparing Cultural Policies: A Reformulation, *European Journal of Cultural Policy*, Vol. 2, pp. 213-22, 1996

The Politics of the Arts in Britain (London, Macmillan, 2000)

Selling the Arts: Centre-Periphery Tensions in Commodification Processes, pp. 53-63 in J. Horne (Ed), *Leisure Culture, Consumption and Commodification* (Eastbourne, Leisure Studies Association, 2001)

Local Government and the Arts, *Local Government Studies*, Vol. 28, No. 1, pp. 77-90, 2002

The Millennium Dome: 'Falling From Grace', *Parliamentary Affairs*, Vol. 56, pp. 441-55, 2003

CHAPTER 1

INTRODUCTION

Introduction

The purpose of this Introduction is to provide a brief summary of the contents of the publications that are associated with the Thesis, indicate the general content of the Thesis itself, and to identify the core characteristics of the subject-matter that lies behind the publications and the major arguments that are contained within them.

The discussion within this thesis is based around the following publications:

Gray, C (1995a), The Commodification of Cultural Policy in Britain, pp. 307-15 in J. Lovenduski and J. Stanyer (Eds), *Contemporary Political Studies, 1995* (Belfast, Political Studies Association);

Gray, C (1996), Comparing Cultural Policies: a Reformulation, *European Journal of Cultural Policy*, Vol. 2, pp. 213-22;

Gray, C (2000), *The Politics of the Arts in Britain* (London, Macmillan);

Gray, C (2001) Selling the Arts: Centre-Periphery Tensions in Commodification Processes, pp. 53-63 in J. Horne (Ed), *Leisure Culture, Consumption and Commodification* (Eastbourne, Leisure Studies Association);

Gray, C (2002), Local Government and the Arts, *Local Government Studies*, Vol. 28, No. 1, pp. 77-90;

Gray, C (2003), The Millennium Dome: 'Falling From Grace', *Parliamentary Affairs*, Vol. 56, pp. 441-55.

These publications form the visible output from a continuing research interest and involvement with the areas of both British and comparative arts and cultural policies. Alongside these published results there has also been the production of a number of conference, working/occasional and unpublished papers that have contributed to this research interest. The most significant of these papers include:

Gray, C (1992), *Comparing Public Policies: the Case of Cultural Policy in Western Europe* (Leicester, Leicester Business School, Occasional Paper 4);

Gray, C (1993), *The Network for Cultural Policy in Britain* (paper to the Annual Conference of the Political Studies Association, Leicester University);

Gray, C (1995b), *Changing Patterns of Arts Council Expenditure, 1979-92* (Paper to the Political Studies Association Cultural Policy and Politics Group, Liverpool University);

Gray, C (1998), *'Oligopoly by Patronage': the Membership of the Arts Council* (unpublished paper).

Key Themes of the Thesis

Before commencing a discussion of the contents of the Thesis, however, it is useful to briefly review the arguments and subject matter of the published work. Without entering into too much specific detail about each publication the following points arising from them need to be borne in mind in the discussion in later Chapters. Gray, 1995a, is a preliminary statement of the commodification thesis (which is concerned with the reasons for and the mechanisms involved in policy change, and the consequences that arise from this process) that was developed in later works (principally Gray, 2000 and 2001), and

which is discussed in more detail in Chapter 2. Gray, 1996, is a methodological paper arguing that the appropriateness of various approaches to the comparative analysis of cultural policy is determined by the intention of analysis and the adequacy of various methodological tools to undertake that task. This paper is largely predicated on a realist epistemological position, and a methodological pragmatist stance.

Gray, 2000, is the major application of the commodification thesis to the field of arts policy in Britain (although with reference to comparative evidence as well). This book argues that the organisational and geographical structure of the state systems for supporting the arts have had a major impact upon the implementation of changes in this policy sector. It identifies clear differences in the direction, speed and content of change within the sector that are dependent upon the location of the organisations that are involved. The book also develops the commodification thesis that was outlined in Gray, 1995a, by extending the argument to incorporate the consequences of it for the relationship between the state and its component citizens, and for policy and the policy process.

The commodification thesis develops an original approach to the analysis of change in complex policy systems. The idea of commodification as consisting of a simple change in the economic status of goods and services within the market-place is well developed within cultural studies. Longhurst (1995, p. 4), for example, refers to the process where forms of culture are treated as commodities 'that is, culture which is produced to be bought and sold on (*sic*) a market', with the consequences of this being product

standardisation and consumer passivity. The commodification thesis, however, extends beyond this to argue that changes in economic status and location have major consequences not only for how goods and services are received and understood by individuals, but also for the effect of these changes on state/civil society relationships, organisational forms and behaviour, their financing systems and the ideologies within which they operate.

Gray, 2001, emphasises the consequences of geographical differentiation within the arts sector (in terms of the location of state organisations at national, regional and local levels within this sector) for the determination of the outcomes of the commodification process by stressing the importance of an organisationally fragmented policy sector in allowing the development of alternative approaches to common pressures. Gray, 2002, extends this argument by concentrating on the place of the arts within the local government arena. In this instance it is argued that the location of the arts as a minor policy concern within a multi-functional organisational arena has led to the development of a quite specific form of policy development, summarised under the title of policy 'attachment' (this is also discussed in greater detail in Chapter 2). In this form of activity the continued development of the arts sector (and, indeed, access to policy and financial support from local policy makers) has depended upon the ability of arts policy makers to associate their area of specialisation with other policy sectors. The reasons for this development, and the potential consequences of it for the arts, are clarified and explained.

The final publication, Gray, 2003, is concerned with the manner in which the British government dealt with the potential 'crisis' that was generated by the Millennium Dome experience. The manner in which this was dealt with through the use of 'arm's-length' organisational forms develops some of the arguments in Gray 1995a, 2000, 2001 and 2002 about the importance of organisational setting for understanding what occurs within the policy sectors of the arts and culture.

The Arts and Cultural Policy Sector

An important element in all of the publications is the nature of the policy sector that forms the central core of the discussions that follow: that of arts and cultural policy. These areas are related but distinct ones. The arts are normally considered as concentrating on such areas as ballet, opera, theatre, sculpture, and 'high' art and music. The broad definition of the arts provided by the legislation that created the National Foundation for the Arts and Humanities in the United States in 1965 goes further than this by incorporating

> music (instrumental and vocal), dance, drama, folk arts, creative writing, architecture and allied fields, painting, sculpture, photography, graphic and craft arts, industrial design, costume and fashion design, motion pictures, television, radio, tape and sound recording, the arts related to the presentation, performance, execution, and exhibition of such major art forms, and the study and application of the arts to human environments (Mulcahy, 1987, p. 312: see Gray, 2000, pp. 1-2).

'Cultural' policy, on the other hand, can incorporate all of these but extends wider to typically and specifically consider areas of 'low' culture, such as rock or folk music and the cinema, as well as such issues as the urban environment (the idea of the '24-hour city', for example, see Bianchini, 1995; Hobbs *et al*, 2001), cross-cultural and multi-cultural

phenomena, and the concerns of various 'sub-cultures', such as bikers and Goths. The major focus in the research that underlies the publications concerned in this Thesis is with a smaller sub-set of total cultural policy, that of the arts. The focus on this area allowed the development of new work in an under-researched policy area. Some parts of cultural policy, such as sport (see Houlihan, 1991, and, more broadly on leisure, Henry, 2001) and broadcasting (see Curran and Seaton, 2003), for example, have been heavily researched from the perspective of politics before, but the arts have been largely ignored.

The arts and cultural policy sectors share many features in common apart from their over-lapping subject-matters. Prime amongst these would be that in Britain at least they have traditionally been dealt with by governments with great reluctance, often being seen as areas that can be best dealt with by mechanisms in the unfettered market-place rather than by the state. Secondly, where the state has intervened in these areas this intervention has usually been undertaken at a low level, with little money and even less enthusiasm being expended upon them by the state. Thirdly, as a consequence of this, they are policy areas that are normally considered to be of little real importance or significance for governments as a whole (in Britain, for example, the arts have only ever been dealt with at the level of junior ministers, and 'culture' forms part of a government department alongside a varied range of matters such as tourism, the media and sport). (A similar argument is also made in Eling, 1999, p. 20). Even if individuals within governments (not only at the central but also at local and regional levels) are committed to active participation in these areas, the overall approach is that the concerns of arts and cultural policy are too peripheral to the core functions of government to be considered important.

Bulpitt's (1983) division of state policy into matters of 'high' and 'low' politics has significance here in identifying how classification of functions into status levels can have real consequences for their management and importance. Regardless of the reality of the case, if political actors assign a policy to a 'low' status level then it will receive little input or concern from them. Even though at the national level the British government has introduced an entirely new Department (originally the Department for National Heritage, (from 1992-7) and now the Department for Culture, Media and Sport (DCMS): see Gray, 2000, pp. 59-64) with responsibility for the arts, and with a Secretary of State in the Cabinet, the arts do not form a major element of either government intervention or attention, or, indeed, of the work of the Department itself. While there have been some developments towards a more interventionist stance (see, for example, Taylor, 1997) it is still the case that, overall, the Department is more concerned with an over-sight function of the quangos which dominate in each of the Department's areas of functional specialisation (the arts, sport and the media), indicating at the very least a lack of direct policy concern with these sectors on the behalf of political actors at the central government level.

The limited nature of this response by the state to questions of art and culture can be criticised on a large number of grounds, not least because of the ideological and symbolic importance of such areas for governments themselves and for the people that they govern. At a policy level culture can provide the binding that can draw together the disparate concerns of political (and, more generally, social) actors into a coherent whole, and has

been explicitly used in such a fashion by governments in the past which have clear cultural objectives to fulfill, as, for example, in Nazi Germany, fascist Italy and the communist Soviet Union (see Spotts, 2003, on the first of these, for example). Such views of culture as a central element of state action are often presented as a justification for what the state does in terms of not only culture and the arts in continental European countries but also in other policy sectors as well. In Britain, on the other hand, it has always been undervalued as a justification for state intervention: Bennett (1995), for example, sees the justifications for state intervention into cultural policy in Britain as being concerned with matters of national prestige, the economic importance of the arts, the civilising of the masses, and the correction of market imperfections in the provision of arts and culture. None of these justifications are directly concerned with the specific content of cultural policy itself, implying that the policies that are pursued have little relationship with aesthetic or other artistic criteria, but are more concerned with broader political, social and economic objectives instead. This in turn serves to place the arts as a means to an end, rather than being an end in themselves, implying a less than central position for the arts in the priorities of governments except in so far as they serve to reach the primarily non-artistic ends that governments determine for them.

The consequence of all of this is that the policy sectors of arts and cultural policy have acquired, in Britain at least, a 'minor' status. At the very least the willingness of national governmental actors in Britain to abdicate direct responsibility for decision-making in these areas through the intensive utilisation of 'arm's-length' organisations is indicative of the lack of centrality that is associated with them. A consequence of this is that these

policy sectors have developed in fashions that are markedly dissimilar to many other policy sectors within Britain, with the creation, often by default, of distinct approaches to the management, provision and support of cultural and artistic policy concerns. This point will be reiterated a number of times in this Thesis as it has a clear importance in accounting for many of the features of these policy sectors.

Conclusion

The above discussion has identified the key features of the central policy areas that are dealt with in the publications that are discussed in the main body of the Thesis. For the purposes of this Thesis the following points need to be demonstrated within this discussion:

- The identification of the 'main issues and problems' included in the work;
- An indication of 'the direction and thematic consistency' of the published work;
- The provision of 'an authoritative critique of the work';
- The location of the work in 'the context of the relevant literature'. (All quotations are drawn from De Montfort University, 2002, Section 11.3).

(A further requirement refers to the case of conjoint work. This does not apply in the current case).

To fulfill the requirements outlined above this Thesis is structured in the following manner. Chapter 2 deals with the origin and development of the published work, explains the key ideas and concepts that underlie the publications that are being considered, and the research strategies that these contain. Chapter 3 discusses the methodological,

epistemological and ontological concerns that are associated with the publications. Chapter 4 deals with the contribution to knowledge that is provided by the submitted publications. This discussion concerns both the empirical content of the work and the theoretical and methodological advances contained within it. Chapter 5 discusses issues of policy analysis, including the context within which the work has been developed and deals with some distinct features and concerns of, and within, policy analysis itself. Chapter 6 discusses both recent developments and how these relate to the themes and issues raised by already published work, and the future directions in which research will develop. Chapter 7 undertakes a critical evaluation of the publications, and provides a conclusion to the Thesis. Here the separate themes from each of the preceding Chapters are bought together to demonstrate how they fulfill the requirements of the Thesis.

CHAPTER 2

CONCEPTS, THEORIES, STRATEGIES, ORIGINS AND DEVELOPMENT

Introduction

The intentions of this Chapter are three-fold:

- firstly, to identify the core arguments and themes that underlie the publications that are being considered;
- secondly, to locate the publications in the context of their development;
- thirdly, to explain the basis of the research strategies that are developed within these publications.

The first of these requires a discussion of the content of the new themes and ideas that have been developed in the publications and the underlying concepts that have fed into these. The latter two will incorporate some of the elements of the traditional literature review whilst developing an overview of the publications that are under discussion. This leads to a somewhat artificial division between two uses of 'theory'. Firstly, 'theory' in the sense of the intellectual coherence of argument and the particular categories that underlie analysis: and, secondly, 'theory' in the sense of ontological, epistemological and methodological issues. These usages of the term are inter-related, but treating them as distinct elements allows for ease of exposition. Issues that are raised by both forms of theoretical question, as categories in themselves, will be discussed in Chapter 3.

The Commodification Thesis

This argument forms the central core of the analyses of the arts and cultural policy sectors that are contained in Gray, 1995a, 2000, 2001. The thesis was developed from Marxist value-categories as a means to understand the processes and meaning that could be attached to instances of systemic change within these policy areas. It is not, however, the same as the use of the term 'commodification' in the general cultural studies literature. In much of this literature (see, for example, Lewis, 2002) commodification has the limited sense of simply meaning products that are produced for sale in the consumer market-place (that is, that they are produced as commodities *per se*). While this has important implications for how these goods (and symbols) are represented and understood by the consumer, the central theme is simply one of economic exchange and the basic consumption consequences, primarily of commodity fetishism (see Bernstein, 1991, pp. 33-4, for example), that arise from this. The commodification thesis as developed, primarily, in Gray 1995a and 2000 (especially in chapter 1), on the other hand, emphasises the contingent nature of the changes that are generated during the commodification process itself, and the fact that this process is not simply about economic exchange but also has implications for the relationship of the state and the citizen, for processes of policy formation and implementation and for the organisational, ideological, managerial and financial contexts within which policy operates.

The basis of the commodification thesis in Marxist value-categories is important in locating how processes of change within policy sectors take place. In Marxist terms all products (whether 'natural' or humanly produced) potentially have a variety of forms of

'value' attached to them. The precise form of value that is in place (usually described as being 'use-value', 'exchange-value' and 'surplus-value': see, for example, Howard and King, 1985, ch. 4) depends upon how these products are dealt with by people: value is not just an economic category, it is also a social one (see, for example, Reuten and Williams, 1989, p. 60). The commodification thesis, then, extends beyond the economic categories of 'use-value', 'exchange-value', 'surplus-value' to the manner in which these affect (and are affected by) the actions and choices of social beings (see Gray, 2000, p. 16, for example).

The commodification thesis argues that the basis for policy sector change in the field of the arts has been built around a shift from the utilisation of use-value to exchange-value, and a consequent alteration of the social relationships that underlie this sector. Whilst this argument has not been unambiguously demonstrated to be totally accurate there is a weight of evidence to indicate that it is certainly not wrong (see Gray, 2000), and that the use of the commodification thesis argument has clear advantages over competing accounts of policy change such as rational choice and the new institutionalism. This is particularly marked by the development of the commodification thesis into discrete analytical units, which are logically connected and which provide a broad spectrum of understanding for the changes that have been taking place in the arts policy sector.

The thesis itself argues that change is a multi-causal phenomenon that is expressed through multiple processes of organisational, financial, managerial and ideological change (Gray, 1995a, pp. 310-14; 2000, pp. 18-19). Underlying value-category change

and the specific institutional changes that are associated with this phenomenon both have important implications for the policy process itself, in terms of the structure of public policy within a policy sector, the content of policies within sectors, and the ways in which policy is made (Gray, 2000, pp. 20-9). The complexities of the change experience mean that there is no guarantee as to how the processes of change will be worked through: unintended consequences can have important effects on these processes (see the discussion of such unintended consequences in Bevir and Rhodes, 2003, pp. 131-5, for example, in the case of the modernisation of British government), and there are no simple causal mechanisms that will lead to an unambiguously straight-forward process of implementation and success. (Further detail concerning how the commodification thesis was developed is contained at a later stage of this Chapter).

Policy Attachment

This, second, major development is discussed in Gray, 2002, especially pp. 80-2, and is concerned with how a relatively minor policy sector (see Chapter 1 above for a discussion of this point) can ensure effective policy survival, access to funds and to political support and an opportunity to develop new approaches to policy. This argument was developed in terms of the place of the arts within local government in Britain and followed the work on sub-national levels within the arts policy sector in Gray, 2000 and 2001.

The arts policy sector in Britain is a deeply fragmented one with clear differentiation in place between the roles and activities of state organisations at the national, regional and

local levels within the system. While regional and national organisations (now essentially the same thing after the subsuming of the previously independent Regional Arts Boards (RABs) into the Arts Council of England (ACE) in 2002: see Chapter 6 below) could claim legitimacy from their statutory and institutional status within the arts sector, local organisations (in the form of local authorities) have limited access to such a basis for support. This is primarily because in England and Wales arts and cultural policy are merely discretionary services. In Scotland and Northern Ireland they are statutory services, although the extent to which this has allowed for the development of truly independent policy activity in either location is an open question (see Chapters 6 and 7 below, where further research into this issue is identified as a future topic for analysis).

In the context of these structural limitations the manner in which arts and cultural policy are developed and given meaning in local government becomes an important issue for analysis. The policy attachment argument is that these policy sectors achieve their ends not through the pursuit of 'arts for art's sake' policies but through a process of attaching their concerns to other policy issues. The attachment of arts policy to issues of, for example, tourism (Williams et al, 1995) and economic development (Myerscough, 1988; Stanziola, 1999) is a relatively long-standing tradition within local government, dating back to at least the 1960s, and the argument within Gray, 2002, develops a case for precisely why, and through which mechanisms, such a process becomes a viable method for managing the arts within this institutional arena.

Context and Origins

The commodification thesis forms a significantly different approach to the major theoretical models that increasingly dominate in the consideration of questions of political and institutional change, those of rational choice and the new institutionalism (see pp. 46-8 below). The development of the commodification thesis arose as a consequence of the decision to investigate the changes that had been taking place in the role of the state with regard to the arts over the period from the mid-1960s. (Later research drove this time-period backwards to the mid-1940s). This interest developed explicitly out of a teaching involvement with the MA in (firstly) European Arts and Cultural Policy, which developed from the late-1980s onwards, and (latterly) in European Cultural Planning at Leicester Polytechnic and (later) De Montfort University. It was immediately apparent that with the exception of two discussions of the Arts Council of Great Britain (ACGB) (Williams, 1979; Hutchison, 1982), the memoirs of a former Arts Minister (Jenkins, 1979), a book chapter on the state and the arts in Britain (Ridley, 1987), and some general works developed from the field of arts administration (for example, Pick, 1980, 1986 and 1988), there was little work available, particularly in the mainstream of political science. (It is probably significant that only one of the above publications was written by an academic political scientist).

Indeed, there is still very little available in this field (see the bibliography in Gray, 2000, for a full summary of the available literature up until that date) with even less that is concerned with the specific methodological issues that require consideration within this policy sector. With the exceptions of Gray, 1992 and 1996, some of these research and

methodological issues are discussed in Kawashima, 1995; Eling, 1999; Zemans and Kleingartner, 1999; Quinn, 1998; and Looseley, 1995. In these cases the focus is primarily concerned with developing a comparative framework for analysis, with little reference to Britain, and from a disciplinary background that makes little reference to political science, as is evident from their bibliographies. Other relevant work in the areas of arts and cultural policy has, of course, been published since 2000, but such work is normally not with a focus that concentrates on the role of the state in managing the structures and processes that are involved in these policy sectors (see, for example, Selwood, 2001).

Early work on Britain (Gray, 1993) made it clear that there were specific policy characteristics of the arts policy sector that were quite distinct from other policy areas. Not least there were distinct geographical levels within the sector with distinct methods for the vertical and horizontal integration of group interests within the policy process which did not conform with existing methods for describing this process (particularly the policy networks literature: see Gray, 2000, ch. 4). If this were to be a common feature in analysis (that existing models had limitations in their applicability to the arts sector) then alternative models would need to be developed that allowed this sectoral difference to be located within, and explained by, the argument that was to be utilised for the analysis of this sector. The commodification thesis (Gray, 1995a, 2000, 2001) forms a coherent response to this problematic issue by identifying sectoral differentiation as an integral and intrinsic element of analysis, and where it is expected that similar pressures will give rise to distinct variations of response between policy sectors.

The argument within the commodification thesis is that there is a clear relationship between what occurs within society and what occurs within specific policy sectors. This relationship is not a simple causal one (at least to the extent that changes in society do not lead to a corresponding set of changes in policy sectors in an unambiguous 1:1 fashion). Instead these changes are worked through by policy makers in a specific manner within each policy sector and this effectively leads to the creation of individual responses to societal change as a consequence of the unique sectoral context within which change is located. To this extent the argument chimes with Hay's (2002, p. 150) later strictures against the notion that there is a simple and equal set of consequences in the process of change that can be simply labelled (for example) as shifts from fordism to post-fordism or modernity to post-modernity. At the very least the commodification thesis demonstrates that change is a contested process with the usual combination of intended and unintended consequences. Further, change does not simply 'happen' but is, instead, the result of real choices being made by real people within historically real circumstances.

Clearly this has parallels with the old Marxist nostrum concerning people making history but not in circumstances of their own choosing (Marx, 1973, p. 146). In the current case the commodification thesis develops this argument in the specific instance of the conditions of late 20th century capitalism and the changes occurring within that system at that time. The specific idea that the development of changes in the nature of value (Gray, 2000, p. 15) within society gives rise to a specific set of rooms for manoeuvre by political actors, provided the mechanism for accounting for a wide range of instances of change

that were diachronic rather than examples of synchronic or comparative statics (see Hay, 2002, pp. 143-50). This approach thus incorporates a continuous notion of change rather than relying on a 'snap-shot' that is concerned with specific instances of stasis. How this process of change develops has then been discussed in the context of the specific example of the field of arts policy in Britain (Gray, 1995a, 2000, 2001), emphasising that what has been taking place is both time- and location-specific (both of which are necessary consequences of accepting the contingent nature of change and the version of value-categories that have been utilised).

Development of the Argument

In the commodification thesis the basic idea is that 'change' is not simply some abstract notion but is, instead, intimately related to core categories that underlie the manner in which societies operate. The concept of value-category forms the basis of this argument and provides a means to understand the consequences arising from change that the simpler ideas of 'privatisation' fail to reach. The commodification thesis accepts that the transfer of public assets and the public management of areas of social activity to the private sector have important implications for society. Likewise the attempt to utilise private sector management tools and nostrums have real consequences for the manner in which policies are made and implemented. The commodification thesis argues that there is more to these examples of societal significance than can be captured by a simple concern with who extracts profits from new or reformed organisations (or, in crudely Marxist terms, who extracts the surplus value). The process of relocation of ownership, changes in management techniques and styles and value-change (from an emphasis on

use-value to that of exchange-value) and the implications that arise from these are intimately connected with the linkages that exist between the public and private spheres and how changes in value-form are then expressed in practice. Gray (2000, pp. 20-9) identifies a range of consequences and implications that should be expected to arise within any policy sector that is affected by such types of change.

This marks a further development over previous studies, particularly from the perspective of Marxist political economy. Previous studies attempting to connect value-forms and the state (for example, Holloway and Picciotto, 1978; Reuten and Williams, 1989) have often operated at a high level of generality and tended to assume that the economic sphere was of far greater significance than the political. Even where political choices involving some form of 'administrative recommodification' have been discussed (Offe, 1984, 1985; see also Jessop, 1982, pp. 106-12; Holden, 2003), the consequences of this have usually been considered in terms of their economic and systemic significance rather than for their specific policy implications. (This is equally as true for other arguments within Marxism that attempt to relate the social to the economic, such as regulation theory (Aglietta, 1979)).

Without the development of a line of approach that concentrated on political phenomena *per se* the analysis of the consequences that could be anticipated to develop from changes within the value-nature of categories would have been incapable of being applied to specific instances of organisational transformation, largely as a consequence of being too generalised. The development of the commodification thesis identified a specific set of

areas where such forms of transformation should be anticipated to take place during the process of value-category change. Originally these were located as being organisational, financial and ideological in Gray, 1995a, p. 310, but managerial change was separated out from organisational change as a distinct category in Gray, 2000, pp. 18-19. These areas provided the basis for a thorough test of the commodification thesis. The emphasis on organisational characteristics in this reflects the Weberian influence in the development of the commodification thesis itself, where broad processes of change have concrete consequences in not only political and policy terms, but also in the organisational contexts within which these consequences are worked through (see Weber, 1968). The conclusion (Gray, 2000, ch. 9; Gray, 2001, pp. 61-2) that change has a specificity that clearly relates to the structural and behavioural peculiarities of policy sectors is important, if rather obvious, and chimes with the methodological arguments developed in Gray, 1996 (especially pp. 213-5). This leads to a consideration of the strategies for research that are associated with the development of the commodification thesis.

Research Strategies

Whilst the developments associated with the commodification thesis and the 'policy attachment' argument (in Gray, 2002) have led to some advances in analysis over the last ten years, consideration of the specific politics of the arts and cultural policy has still tended to be largely peripheral to either the wider concerns of theory and methodology within political science, or, indeed, to policy analysis itself. Where arts organisations are referred to it tends to be in the context of specific concerns (often associated with

questions of economic development: see Strange, 1996 or Williams et al 1995; an explanation of why this should be the case is contained in Gray, 2002), or as simply being an exemplar of wider issues and concerns (see Evans and Taylor, 1994, for example, on regional governance issues, or Taylor, 1997, on national governance issues, or, indeed, Gray, 2002, on local government issues). While this may be a simple reflection of the lack of political centrality and sex-appeal of this area of analysis (see Chapter 1 above), it does mean that the tendency has been to simply apply models and theories that have been developed in differing contexts without questioning whether these are actually appropriate for what is being investigated.

This raises some important questions about the craft of policy analysis (not only in the case of the arts and cultural policy, but also in terms of other policy areas). Bevir and Rhodes (2003, particularly in Part I), emphasise that there are multiple ways of discussing what has been taking place within the public sector and management within this sector. Following the argument of Tivey (1988), they demonstrate that differing interpretations of events within Britain ask different questions about what is occurring, identify different sets of causal explanations for what is taking place, and create differing sets of conclusions about the consequences of activity. While this is something of a truism, like all truisms there is some truth in it: Alford and Friedland (1985) and Dunleavy and O'Leary (1987), for example, demonstrated exactly the same points in the context of state theory some time ago. More recent discussions of 'theory and method' in political science (for example, Marsh and Stoker, 1995, 2000; Hay, 2002; Goodin and Klingemann, 1996) make it clear that there are, at the very least, certain incompatibilities

between different theories that have ontological, epistemological and methodological consequences that deserve further thought.

Gray, 1992 and 1996, both stressed the importance of these arguments, and while Gray 1995a, 2000 and 2001 developed the commodification thesis as a particular form of analysis, it is by no means the only one that *could* be appropriate for the analysis of arts and cultural policies. Gray 2002 and 2003, for example, both pursue alternative lines of development and argument that are appropriate for particular areas of analysis (geographical in the case of the former, although also related to the commodification thesis, and issue-based ('crisis') in the case of the latter), implying that there are more ways to skin the proverbial policy cat than the basic commodification argument would allow. Given, as the above discussion of the argument shows, that variability is an inevitable consequence of analysis, this is not surprising. Clearly this leads to alternative lines of development for the analysis of the arts, each of which require their own justifications, and each of which is appropriate to different research questions.

The catholicity of approach that is implied by the above arguments is evident in all of the publications that form the core of this thesis. The emphasis lies firmly on the need for appropriateness within analysis. This point was implicit in Gray, 1992, and was a central component of Gray, 1996 and it provides a rationale for the research that has been undertaken that should not be ignored. Indeed, it is likely that this argument of appropriateness to task could usefully be applied to a number of cases within political science, where it is sometimes assumed that there is only *one*

theory/episteme/methodology/approach that is valid - and that happens to be the one that is being used by the writer at that particular moment in time. Such an approach is at least debatable as there can be multiple readings of evidence and information which are mutually in conflict, if not downright incompatible (*pace* Bevir and Rhodes, 2003).

While this line of argument may appear to be veering towards a post-modernist version of 'anything goes', and particularly of 'anything makes sense', this is certainly not what is intended here (nor, indeed, what was intended by Tivey, 1988, or Bevir and Rhodes, 2003, for example). The theories and methodologies that are employed as mechanisms for understanding and interpreting social reality have real impacts in terms of where they lead the researcher (see Rhodes, 1997). The relationship between these paths of development and the empirical evidence that is uncovered and investigated has implications beyond the subject-matter of the research itself, and indicate that the current argument within the context of arts and cultural policy is only one, and by no means the only one, that could be developed.

This point becomes particularly clear in the context of other considerations of policy change than that provided by the commodification thesis. The usual emphasis within the policy analysis literature is on the frankly positivist version of who does what, how and (occasionally) when (see, for example, the standard text-book discussions in Parsons, 1995; Howlett and Ramesh, 1995; Colebatch, 1998). The emphasis is largely on explaining processes themselves rather than on the meaning and implications of what these processes entail. This means that the major focus of attention is on who the policy

relevant actors are, what these actors do, how they do it, and what the results of their actions are. The commodification process, by way of contrast, places all of these concerns in a secondary place to the overall context within which this policy activity is taking place. In this respect the commodification thesis refocuses attention within the policy process on the idea that the contextual terrain within which these policy processes are taking place is, at times, more important than the precise patterns of activities that lead to the making of specific policies.

Again, the emphasis upon what the analyst is seeking to uncover (a point that is stressed in Gray, 1996) forms a key part of this argument. In other circumstances (for, example, how did the 'housing the arts' strategy of the Arts Council of Great Britain (ACGB) (Gray, 2000, pp. 48-50) become accepted as a key policy in the field of the arts in the late 1950s and early 1960s?) an emphasis on the precise proceduralism and bureaucratic in-fighting in the arts policy community at the national level would be appropriate. Sinclair (1995, pp. 96-7), for example, sees this policy as largely the consequence of the decisions and choices of a single individual – but that is in line with the personalist version of the history of the ACGB that underlies all of his discussion. Witts (1998, ch. 16), on the other hand, sees it as largely an institutional policy, but that is in tune with his relentlessly pursued savaging of the ACGB as an institution (a common line to take: Pick, 1991, for example, also takes such an institutionalist version of character assassination whenever possible). If the analyst, however, is concerned with other policy issues then discussion of this policy becomes largely an irrelevance (see, for example, the minimal coverage of the 'housing the arts' strategy in Hutchison, 1982, and Hewison, 1995).

What neither of these lines of argument manage, however, is to locate the reasoning behind the choices that were being made in the context of the development of the welfare state model of state intervention. Without such a location the decision to undertake public sector investment of this sort becomes something that takes place in the proverbial 'black box' (Jenkins, 1978, ch. 1) (although a 'black hole' might be a more appropriate metaphor in this case), as it was only the shift to such a model of political, economic and social management that allowed such intervention to take place in the first case. This point becomes important in the context of the commodification thesis as the shifting basis from state *intervention*, predicated upon values and ideas derived from welfare state models, to state *management*, predicated upon potentially consumerist arguments deriving from changed value-category conceptions.

The issue of the need to consider the appropriateness of analysis for the case in hand is a particularly relevant concern in the case of Gray, 2003. The published article was a direct response to a commission from the editors of a special issue of *Parliamentary Affairs* on the subject of crisis management in British government. The 'crisis' to be discussed in this commission was the Millennium Dome project. The approach that was adopted in this analysis was affected by the specific brief that was presented and, in this case at least, the more traditional models of analysis (that concentrated on 'who', 'how', 'when' and 'why') were clearly of more utility than an approach (such as the commodification thesis) that concentrated on the contextualisation of policy development. The consequence of adopting such a traditional, mainstream, approach was that the interpretation was a

heavily institutionalist one. Needless to say, an alternative form of analysis would produce a different focus for the discussion about the Dome issue, with different emphases upon the centrality of elements within the analysis.

Conclusion

This Chapter has provided a summary of the central concepts and arguments within the publications that are under consideration – the commodification thesis, value-categories, and policy attachment. These have been located in the context of their development, and their relationship to previous and current literature relating to common areas of concern. This discussion then led into the question of research strategies. Chapter 3 develops directly out of this consideration of research strategies, and undertakes a more detailed examination of ontological, epistemological and methodological issues and questions that are generated by the overall research that has been undertaken.

CHAPTER 3

METHODOLOGY, EPISTEMOLOGY AND ONTOLOGY

This Chapter will discuss the twin topics of the methods that were used to undertake the analyses in the publications concerned, and how the data for these were collected. It will also consider the epistemological and ontological points that arise from this.

Methodological Issues

Gray, 1996, is, in itself a piece on methodology that was designed to correct some of the claims that had been made in Kawashima, 1995, which implied that there was really only one way of undertaking research into comparative cultural policy. The best response to such a claim was simply to demonstrate that there were multiple methodologies available for undertaking such work, and the conditions under which they may be appropriate. This approach effectively leads to a position of methodological pragmatism, where the practical issues and questions that underlie the development of the research that is being undertaken lead to the need to utilise the appropriate tools for the case in hand.

In the case of Gray, 1995a, the primary aim of the publication was to present an early version of the commodification thesis, rather than a completely finished piece of work. To this extent the use of potential examples, rather than thoroughly researched case-studies, was all that was required to illustrate the broad sweep of the major arguments contained in the thesis. Again, the emphasis was on the development of the argument rather than on the presentation of a fully empirically supported answer in itself. In this instance the emphasis was on indicative evidence that sufficed to demonstrate the context

within which the commodification thesis was to be applied. (The development of more specific forms of evidence was undertaken in Gray, 2000).

In both of these cases the primary sources of material that were employed arose from detailed reading of books and articles, official publications and other sources, and using a certain amount of imagination and logical thought to construct arguments. In neither of these publications were questions of data collection and analysis significant elements in this process, particularly given the 'ground-clearing' nature of the work that was involved.

In the later publications methodological issues became more important, and in each of them the methodology emerged from the requirements of the arguments that were being developed, rather than being an end in itself. In Gray, 2000, the historical sweep of the argument, locating the commodification thesis in the context of the post-second world war development of direct state intervention into the policy sector of the arts, necessitated the use of standard historical argument. This refers to the narrative tradition in history when this is underlain with theoretically-derived categories, which has been succinctly summarised as consisting of 'the posing of intelligent questions and the development of arguments – skills without which history can surely not properly be written' (Bashford and Langley, 2000, p. vi). (See Black and MacRaild, 2000 and Stanford, 1994 for a consideration of the underlying debates in historiography that relate to these issues). Reference was made to the standard sources of official information: annual reports of the Arts Councils of Great Britain, England, Scotland and Wales; publications emanating from each of these; annual reports of the Regional Arts Boards and Associations, and

their associated publications. The records in the Public Records Office, thin and insufficient as they were given the relatively short involvement of central government in this policy sector, covering the arts up until 1969 (the 1970 records were not available when the book was being finished in late 1999) were also referred to, as were the annual reports of the Department for National Heritage and the Department for Media, Culture and Sport, and the official publications produced by this Ministry. In addition Parliamentary debates, the manifestos and research publications of political parties, the publications of various think-tanks, various histories, academic publications (thin in quantity, given the under-researched nature of the policy sector, and sometimes in quality as well), biographies and autobiographies were also read and utilised.

The criteria for being confident about the process of undertaking documentary research through these sources depends upon the extent to which the sources themselves satisfy the criteria of authenticity, credibility, representativeness and meaning (Scott, 1990, pp. 6-8, 19-35), as well as those of inferential reasoning (Platt, 1981, pp. 33-48). While some of the methodological issues that are associated with these criteria (for example, those concerning sampling) are not relevant to the research that was undertaken, others were. The sources that were used were certainly authentic, being based on public records; credible, in so far as they provided a coherent narrative structure that was free of error; representative, as they were standard forms of evidence (and were also inclusive in the case, for example, of the annual reports of the ACGB); and their meaning was clear and comprehensible. In terms of the inferences that were drawn from the sources, deductive reasoning was utilised as the most appropriate means of deriving sense from the sources.

(Platt, 1981, p. 62 argued that inductive reasoning was likely to be a better approach to inference, but the existence of the commodification thesis as a theoretically-informed basis for structuring interpretation meant that deductive approaches were a viable alternative). The ability of these documentary sources to provide a number of competing 'narratives' that could be utilised to understand how the policy sector is understood by the participants within it also provided a basis for assessing their appropriateness of the sources, as well as a further basis for the drawing of inferences (see, for example, the argument in Bevir and Rhodes, 2003, pp. 38-9).

The paucity of the existing literature, both academic and official, has meant that the publications in themselves have the status of a resource for later researchers to make use of.

The most important tools that were utilised in the process of examining existing sources involved the weighing up and presentation of evidence, and the analysis of available financial evidence. In the case of the latter the decision to present the figures to a common base-year involved using the data from the government Blue books. The choice of the Retail Price Index (the RPI) as the measure of inflation (rather than any other potential measures) was decided upon during the research for Gray, 1995b as being the most appropriate, on the basis that the case that the arts suffer from a differential inflation effect - the so-called Baumol hypothesis which argues that the rate of inflation in the performing arts will be higher than in the rest of the economy - was, at the very least unproven (see Peacock, 1993, p. 93). (Although Heilbrun and Gray, 1993, ch. 8 argue

that the American evidence shows the hypothesis to be correct, even if the objections to this interpretation that were made by Peacock are not addressed in their discussion). If there is no differential inflation effect then the use of measures of inflation other than that provided by the RPI would be based on uncertain, if not unproven, foundations, and could even be wrong in principle. The choice of the RPI as the most appropriate measure for inflation in the arts was agreed by the participants in the discussion that followed the presentation of Gray, 1995b to the Cultural Policy and Politics Group of the Political Studies Association at Liverpool University.

Gray, 2001 and 2002 both arose from the work that had been undertaken on Gray, 2000, but were intended to extend the arguments. A significant feature of Gray, 2000 was the conclusion that there were significant differences between the processes of commodification at the national, regional and local levels. While this was not surprising, given that this was effectively predicted by the commodification thesis in the first place, it served to establish the basis for further analysis of precisely why these differences were being generated. Both of these later publications, therefore, were concerned with developing such explanations. In both cases the general point (as with Gray, 1996), was concerned with the argument that was being developed and advanced, rather than with the more traditional methodological concerns of empirical research (see Denscombe, 1998). At best, the choices that were relevant to these publications concerned the use of relevant and appropriate examples to ground the case that was being developed in an empirical reality. For this, the use of material gathered (primarily) through discussions with students and visiting lecturers on the MA in European Arts and Cultural Policy and,

later, the MA in European Cultural Planning, as well as with participants in conferences, was particularly helpful. The utilisation of research and teaching networks in this respect allowed for the development of ideas, arguments and examples to take place in an informal manner, rather than through the more traditional methods of conscious case-study, survey or interview approaches (see, for example, Denscombe, 1998).

The final publication under consideration (Gray, 2003) required an alternative strategy to be pursued, particularly given the relatively recent nature of the case that was under discussion. While this required the usual sources of information (official publications; media coverage; journal and book discussions, Parliamentary debates and Committee hearings and reports) the nature of the article (being concerned with the general theme of administrative 'crisis') meant that primary research in the sense of interviewing or quantification of data was not necessarily appropriate to the requirements of an analysis and discussion that was more concerned with the interpretation of events rather than with the events themselves.

Clearly, the methodologies that have been applied to the publications that are under consideration are not the traditional, positivist, ones of quantification. The reliance on interpretation of data from secondary sources, both published and oral, rather than on primary research in the usual sense is justified by the intentions behind the publications themselves. These intentions are primarily argumentative - in the sense of developing an argument and following the logic of it through to a conclusion; in this respect the use of certain specific qualitative techniques – such as discourse analysis: see Burton and Carlen,

1979, for example – are not necessarily appropriate methods for analysis as they derive from alternative ontological and epistemological positions, and thus require alternative tools for the investigation of social phenomena. The strength of the cases that are developed, therefore, does not rely on the forms of statistical evidence (or certainty, if the favoured position is of crude positivism) that could otherwise be developed, but on the strength of the argument itself.

Epistemological and Ontological Issues

The discussion above has concentrated on the basic research issues of how to investigate the specific subject-matter that informed each of the publications concerned. In terms of the overall philosophical questions that surround any research endeavour, however, these issues are only a part of the overall framework that contributed to logical and analytical consistency. This framework of ontological and epistemological concerns requires some discussion so as to locate the methodological issues in their context.

At the most simple level ontology is concerned with theories of being, whilst epistemologies are theories of knowledge (Marsh and Furlong, 2002, ps. 18-19). The position that has been adopted in the publications under consideration is, ontologically speaking, one of realism. Realism is here understood in the sense of philosophical materialism: there is an objective world independent of our interpretations of it. Realism implies that epistemologically, our knowledge of this material world can be gained through the interpretation of phenomena (sharing some ground with, for example, the interpretive stance of Bevir and Rhodes, 2003, for example). These interpretations may

be faulty or limited but they provide the basis for understanding the chains of causality and relationship between the variables that are utilised in the process of research, and for developing logically coherent accounts of how the material world is constructed and operates. (Marsh and Furlong, 2002, p. 31, see this as a version of 'contemporary realism'). In this respect the utilisation of ideas and concepts that have been derived from the materialist philosophy of Marxism causes no ontological or epistemological problems for analysis, as the common acceptance of an objective world in both positions assures a common basis for the investigations that have been undertaken.

In this context the emphasis that is placed upon ideological issues in the commodification thesis is a clear consequence of these positions. The understandings of how the world is constructed and operates that are held by actors within political systems have a determining effect upon the actions that they will pursue. These understandings are interpretive constructions in themselves and have the effect of acting as material constraints within which these actors must operate. Without an understanding of these ideological and value-laden constructs it would be at least difficult, if not actually impossible, to understand why and how political actors operate as they do in the areas of arts and cultural policy. An extension of this would serve to develop the argument that such understandings are equally as important in all policy sectors.

Conclusion

The realist position that has been adopted has a clear set of consequences for the methodologies that are appropriate for undertaking research. A simple positivist position,

predicated upon a simple view of an objective social reality that is amenable to simple quantification, is not applicable as a strategy given the largely interpretivist epistemology that has been adopted. The methodological realist argument in Gray, 1996, about the need for the appropriate tools for undertaking research into cultural policy is worth reiterating at this point. There is a unity of ontology, epistemology and methodology in the published works that lives up to the strictures concerning research that are contained in Gray, 1996, and which derive from a coherent position concerning the process of discovering how policy sectors and public policy itself are both structured and to be understood.

CHAPTER 4

CONTRIBUTION TO KNOWLEDGE

This Chapter is intended to demonstrate how the publications' contents make a contribution to knowledge, both in terms of the subject-matter, and in terms of the wider implications of the research findings, not least for the discipline of politics and political science. For ease of exposition this Chapter will consider the contribution that has been made by the publications in the following three areas: empirical; theoretical; and methodological, with the greatest emphasis being placed on the first two of these, as these are the areas of greatest impact.

In summary there are two major empirical contributions. Firstly, the research presents up-to-date evidence concerning how the arts and cultural policy sectors are structured and operate. Secondly, the focus on sub-national levels of state involvement in the arts is a unique account of how these levels not only work but how they are integrated into the rest of the arts sector. Theoretically, the twin contributions concern the development of both the commodification thesis for analysing policy and organisational change; and the concept of policy attachment for explaining local policy development. Each of these contributions, however, spills over into other areas as well. Both the commodification thesis and the policy attachment argument, for example, have empirical and methodological implications as well as theoretical ones. The discussion in this Chapter will identify where these overlaps occur and will explain how these developments contribute to all three areas of concern.

Empirical Contribution

The subject area of the politics of the arts is still highly under-researched. While the economics of the arts has seen a large number of publications produced, effectively leading to the creation of a sub-discipline within economics (see, for example, Heilbrun and Gray, 1993; O'Hagan, 1998; Towse, 2003), the politics of this policy arena have not been so well covered. The empirical contribution that has been made by the publications is emphasised by noting that there is no other source of up-to-date information on how the arts are managed by the state, and the structure of the arts policy sector, in Britain. Aspects of either of these are available elsewhere (histories of the Arts Council of Great Britain, for example: see Sinclair, 1995 and Witts, 1998; or discussions of the state and 'popular' culture in Street, 1997), but there is certainly nothing like Gray, 2000, for example, with its unique coverage of the totality of state involvement in the arts from the European to the local level. This is perhaps marked by the fact that references are being made to the entire body of work elsewhere (again, Street, 1997; Caust, 2003).

The absence of any consideration of the sub-national levels of state provision of support for the arts is even more marked. The little that is available is either highly dated (Harris, 1970, on the regional level, for example), or is usually more concerned with other issues that have become associated with the arts, such as economic development (see Gray, 2002 for an explanation of why this should be the case). While it is accepted that, at least as far as governments in Britain seem to be concerned, the arts form a minor policy area of relatively little significance (see Chapter 1), the lessons that can be learned from

analysing the processes of change at differing geographical levels are certainly worthy of more attention than they have previously received.

The commodification thesis itself predicts a geographic dimension to these processes of change, with the creation of discrete locational arenas within which change takes place in distinct fashions. The arguments and evidence that are contained within Gray, 2000, 2001 and 2002 (with support from, for example, Street, 1993) indicate that there is empirical justification for this case. To this extent the publications under consideration add to the stock of knowledge concerning the arts policy sector that is available. In addition the notion of policy 'attachment' (Gray, 2002) introduces a new idea to the field of policy analysis that has some methodological implications that require further development, and which are considered in more detail later in this Chapter.

Theoretical Contribution

This leads in to the next point of consideration, that of the theoretical contribution to knowledge that has been advanced. The development of the commodification thesis in particular is worthy of mention here, especially as it provides a coherently developed case for explaining precisely why differences between levels within the British system should be expected to develop in terms of responding to systemic change initiatives. This point is important as the consequences of change (in the sense of the differential impact of change mechanisms at differing levels within the state system) are often assumed rather than demonstrated. Wilson and Game (1998, passim), for example, or the contributors in Stoker (2000), all implicitly begin from a position of expecting variation between units of

local government, with these differences being explicable on the basis of standard political and policy ideas, such as party political control, mix of groups active in the policy sector, or the nature of the issue that is concerned. None, however, can explicitly demonstrate why these factors should lead to differentiation between units of local governance, either accepting the point as being too obvious to require explanation, or making reference to assumptions about behaviour that underpin particular theoretical positions (as with most pluralist and rational choice discussions). The commodification thesis, in contrast, explicitly develops an argument that explains such local differentiation (see Gray, 2000, pp. 16-20; 2001).

This emphasis on behavioural explanation necessarily underplays the significance of the structural contexts within which such behaviours are undertaken, reviving the traditional bug-bear of social scientific argument, the agency-structure problem (see Giddens, 1984; Hay, 2002). Whilst not claiming to have solved this perennial subject of debate the commodification thesis does provide a mechanism that explicitly incorporates both the behavioural and structural dimensions to political activity. Such a claim could, of course, equally be made about other, more recent, developments in political science, most obviously in the case of the new institutionalism (see, for example, Lowndes, 2002), or forms of 'interpretive' political science (Bevir and Rhodes, 2003), and whilst there are elements of overlap between the commodification thesis and aspects of both of these approaches, there are still significant differences. The areas of overlap, for example, would include the emphasis within the commodification thesis on the organisational dimension of arts policy, accounting for change and development within this sector in

terms of the ideological and value-oriented 'rules' that surround choices and actions within the sector. Where this differs from the new institutionalism, however, is in the emphasis on the pliability of the 'rules' and 'standard operating procedures' that are contained within the sector and, effectively, the non-objective nature of these frameworks for action.

More generally, the differences between the approaches can be summed up as follows. The commodification thesis places greater weight on the formal structural dimension within which behaviour takes place; and prioritises the significance of values as an ideological construct with, in that horrible phrase that is redolent of the 1960s, a relative autonomy (to the extent that they exist independently of structural location), as compared with the position where values are simply a form of 'institution' in their own right (which simply shifts the structure-agency problem to a new location and does not resolve it). In the same fashion the interpretive take on analysis either requires an emphasis on atomised individuals as the basis for explanation, or relies on a model of behaviour that can (not surprisingly given the name of the approach) only be interpreted on the basis of crude abstractions from much more complicated social realities. Whilst this is a generalisation of both approaches it is intended only to indicate that there are differences between the basic starting-points of these approaches and that which is adopted within the context of the commodification thesis.

Methodological Contribution

The most important methodological contributions that are contained in the work under consideration are largely to be found in Gray, 1996 – which is primarily a methodological piece – and Gray, 2002. The contribution of these differs in their intention but is essentially a difference between general and specific methodological points. Gray, 1996, summarises a number of separate points about the process of undertaking comparative policy research, and stresses the importance of applying the appropriate techniques for whatever it is that is being researched. To this extent the idea of methodological purity becomes something of a chimera (if not an utter boojum), except in so far as the methodologies that are employed must, of necessity, be related to the theoretical assumptions which underpin the research that is being undertaken.

At the very least Gray, 1996, indicates that the methods that are being employed in research carry their own freight of meaning and implication which need to be understood before actually utilising them. The idea that there is some form of neutrality about the methods that are being employed in the process of research fails to hold water, and while this is by no means a new position, it deserves reiteration. This is a point of particular significance given that many of the contributors to the major journals and books in the field of arts and cultural policy have a tendency to adopt an unquestioning stance to issues of methodology and theory (although see Hansen, 1995 and Merli, 2002 for exceptions to this generalisation).

The contribution that is made in Gray, 2002 is of a somewhat different nature. In this case the originality lies in pointing towards an area that arises specifically out of the consideration of a relatively minor policy area (the arts) and how this is influenced by exogenous policy variables that have not previously been considered. While policy in one sector is generally considered in almost hermetic isolation from developments in other sectors, the review of the arts in local government indicates that what develops within a policy area can sometimes be a deliberate attempt to 'attach' itself to another policy arena. This example of, effectively, coat-tailing has not been identified before and requires developing to understand the precise mechanisms by which this strategy of policy development can become an important source of innovation and change. Methodologically it adds to the range of exogenous factors that can affect policy choice: whether it has significance only for relatively weak policy areas such as the arts, or whether it extends beyond these to other sectors remains to be seen. As this approach is quite distinct to processes of policy transfer (see, for example, Dolowitz et al, 2000), even if there may appear to be overlaps, it requires application in other policy arenas to see what effect it actually has. Similarly the phenomenon of the development of 'joined-up' government which was intended to provide a coherent approach to managing areas of public policy that were divided amongst multiple organisations (for example, social inclusion) operates in a different fashion to policy attachment. 'Joining-up' government is primarily a top-down approach for policy management, whereas attachment is in many cases a bottom-up strategy for policy development (compare Cabinet Office, 1999, with Gray, 2002, for example).

Clearly the research contained in the publications has a number of contributions to make, even if they occasionally only serve to remind the reader of the significance of certain methodological principles. New information, new methods of analysis and new ideas about the mechanisms of policy development can all be found in the publications and, as such, contribute to knowledge in a variety of ways. The publications contain new approaches to issues that are central not only to policy analysis but also to public administration and management, and thus extend beyond the specifics of arts policy to wider application elsewhere within the discipline of political science. The empirical, theoretical and methodological developments that have been made have a general significance that can be further built upon (see Chapter 6).

CHAPTER 5

ISSUES OF POLICY ANALYSIS

This Chapter discusses issues that have arisen in the course of undertaking the research that underlies the publications that are being considered, particularly in the context of policy analysis. In particular, a series of connected points concerning the applicability and appropriateness of dominant models of analysis within the discipline for *all* policy sectors are developed that have a number of implications for how policy analysis is undertaken.

To some extent the following discussion continues the points that were being made about the methodological contributions that the research makes in Chapter 4. At the risk of being repetitious it is worth emphasising, again, that the field of the arts is a relatively minor policy area and while it stirs as many passions amongst the participants within it as other, larger and more 'exciting', policy areas as public expenditure, defence or health, it is not generally considered to be concerned with matters of central political, social or economic importance (see Chapter 1). Whilst such a view is debatable (as well as arrogant) it does reflect the policy context within which development and change in the field of the arts has taken place throughout the course of the past century.

Analysing the processes and mechanisms of change within what is something of a quiet back-water of concern and interest has some advantages (apart from being concerned with an area that hasn't been argued about by a host of other investigators before). In the first instance it allows for the assessment of whether perspectives on policy that have

been developed in other, generally considered more central, areas are actually appropriate for the analysis of less central (or secondary) policy sectors. Secondly, it allows for the development of new tools of analysis that may be inappropriate for more central areas, but which are entirely appropriate for less central ones. Thirdly, it allows the chance to question the basis upon which dominant models and assumptions of policy analysis have been based: if the 'one-size-fits-all' assumptions behind dominant models prove to be inappropriate for analysing smaller policy areas then a reappraisal of these models is called for.

In terms of the first of these considerations, then the initial research (Gray, 1992; 1993; 1995b) on arts policy raised questions about the applicability of already existing approaches (when comparing cultural policies, discussing the nature of policy networks, and analysing national arts expenditure patterns respectively) to the subject-matter of the arts policy sector. The arts sector simply did not comfortably fit in to current views about the variables that affect comparative policy provision, the structure of group integration within the sector, or the impact of changing government ideology. In itself this is not necessarily a problem as there may simply be particular features of the arts policy area that make it *sui generis*, in the same way that all policy areas have their own peculiarities. As research continued, however, it became increasingly clear that there was more to this question than simply policy sector variability. If it were the case that each policy sector operates independently of all others, and operates according to its own internal organisational (or 'institutional') logic then each policy sector would require its own unique set of models for analysis. This would then lead to a situation where it would be

impossible to develop any broader frameworks of analysis, and where the development of generalisable claims about policy would be impossible. Clearly this is not the case.

The alternative position would be that perhaps there are general differences between policy sectors in terms of their centrality to the overall policy concerns of government, and it is this relationship to policy centrality that requires the development of particular models of analysis that incorporate this dimension. This question was returned to in Gray, 2000, and more specifically in Gray, 2001, with reference to Bulpitt's (1983, pp. 3, 29) differentiation between issues of 'high' and 'low' politics. The geographical differences within the arts policy sector were argued to have had a significant impact upon the speed, nature and direction of change in the context of commodification, primarily as a consequence of central government being not particularly interested in the policy sector. An extension of both the geographical and policy centrality arguments to other 'minor' policy sectors would be required before this could specifically be given support, or, indeed, be disconfirmed, but it does open up a new set of issues that require further analysis. At this level it is really more a question of the need for cross-sectoral comparison to be developed as a special issue within policy analysis.

Specifically, questions of how governments approach issues of policy within differing policy sectors require further development. The emphasis on 'governance' models (see Rhodes, 1997) of organisation for the delivery of social welfare policies, such as social exclusion and inclusion, in distinction to single purpose bodies for the delivery of arts policies at national and regional levels could be explained through a variety of theoretical

perspectives. The commodification thesis provides an explanation of this differentiation in itself. The question of why the Downsian 'issue attention cycle' (Downs, 1972) operates as it does across policy sectors also deserves further attention. In the case of the arts, the changing ideological frameworks within which public sector arts organisations operate and the manner in which these are manipulated to provide support for their activities are clearly important issues that relate to this point.

The second policy concern about the development of models that are appropriate for less central policy issues raises questions about what is required of such models. To some extent this question should be re-phrased in relation to how the totality of public policy should be understood. If there are distinct features of public policies that arise from the governmental context within which they operate, then this needs to be incorporated, perhaps as some form of structural or institutional constraint within which policy is operationalised. If there are clear divergences in terms of how public policy is structured, managed and implemented, and these are dependent upon contextual factors, then this needs to be built into models of the policy process.

Clearly the arts policy sector demonstrates elements of this contextualisation which have a significant impact upon how it operates. For example, the lack of importance that has been traditionally attached to the arts and cultural policy by all governments has had an effect on the choice of 'arm's-length' institutional settings such as quangos and local authorities (along with, for example, other concerns about the role of the state as a potential manipulator of the arts for reasons of propaganda); this, in turn affected the

group universe that dominates the sector; and this affects the range of policy options that are pursued, and how they are pursued (all of these points are to be found in Gray, 2000; 2001; 2002; 2003). In this respect some of the elements of the 'new' institutionalism (Lowndes, 2002) might be usefully developed as a mechanism for mapping the context within which policy is developed on a cross-sectoral basis, if only at the level of identifying the precise nature of the specific 'standard operating procedures' that have been claimed by supporters of institutionalism to underlie individual policy sectors.

Certainly this cross-sectoral basis for analysis is an important area for investigation. While comparative analysis of public policy is well developed (see the references in Gray, 1996) the tendency within comparative analysis has always been either simply to compare a single policy area across nation-states (Gray, 1992; Quinn, 1998; Zemans et al, 1999, being examples of this in the fields of the arts and cultural policy), or to apply a single model of the policy process across nation-states (examples could include Hall, 1986, with an institutional perspective; Heidenheimer et al 1990, with a 'choice' perspective; Boyne, 1998, with a public choice perspective), or to take a particular policy issue and compare that across states (for example, the issue of policy transfer: see Dolowitz and Marsh, 1996). Each of these has advantages and disadvantages as mechanisms for understanding the policy process – or, at least, parts of that process. However, the absence of cross-sectoral analysis that concentrates on the differences between structures, functioning, ideologies, financing and the multitude of other relevant factors that are involved in the practical operation of this process generates problems of its own.

At the very least the question of how these multitudinous variables actually affect the dynamics of the policy process within any given policy sector deserves further consideration. Gray, 2002, demonstrates the importance of this when the argument is developed that the relative unimportance of the arts as a policy sector has important implications for the 'attachment' strategies that have been generated within the sector in British local government. Clearly this is not the only relevant factor in leading to this position but it is certainly a major factor in allowing the strategy to operate. The extent to which this is relevant to other policy sectors requires detailed investigation.

The third major point to be made here develops from this position, and that is concerned with the extent to which dominant assumptions and models within policy analysis are actually appropriate for the investigation of all policy sectors, or only for some. This raises, again, the idea that there is some form of 'standard' policy sector in which all assumptions and models hold true. The question of the extent to which questions of 'standardness' are appropriate in policy analysis has some importance given the inevitable variations that exist between policy sectors. This variability also points attention to the possibility that there may well be significant differences between sectors that necessitate the utilisation of alternative methods of analysis than those that are commonly assumed to be appropriate. Again, Gray, 2002, demonstrates that new ways of thinking about policy issues (with the idea of policy 'attachment') may be required if sense is to be made of the policy process, certainly in the case of the arts, and, by extension, in the case of other policy sectors as well.

In addition to these larger points that concern the policy analysis enterprise as a whole, there are a number of specific points concerning the analysis of the arts policy sector in particular. Two of these points have already been touched on in both this Chapter and Chapter 1: the fact that the arts sector is a relatively (and probably absolutely) minor one; and that the structure of the sector has a significant impact on what occurs within it. Two further points arising from the arts sector, however, also need comment. The first of these is the significance of the geographical dimension to arts policy (Gray, 2000; 2001; 2002) and the second concerns the idea of policy 'attachment' (Gray, 2002). Apart from being developments within the understanding of the policy sector of the arts, they also have a larger significance within the whole enterprise of policy analysis. In the case of the former point, with the exception of the fields of political geography (for example, Taylor and Flint, 1999), and urban and regional planning (for example Le Gales, 2002; Rydin, 1998), the spatial dimension of public policy is often ignored except for some generalised obescience towards ideas of, in the modern idiom, subsidiarity. The work under consideration makes it clear that an understanding of the precise detail of the policy process in the arts requires an awareness of the spatial distribution of powers and structures within the sector, and that this spatial distribution has important consequences for how the sector operates. While this is of no great surprise to anyone approaching matters of policy from a 'bottom-up' perspective, or indeed from the more general inter-governmental literature, in the case of the arts it is something of an addition to a literature which has traditionally been highly centralist in orientation. This centralist paradigm has tended to underestimate the importance of other geographical levels than the national for

arts provision and support, with a consequent skewing of analysis and a misunderstanding of how the arts sector *as a whole* operates.

The final matter to mention here is the idea of policy 'attachment' as a strategy (Gray, 2002). While this derives specifically from the minor status of the arts as a policy sector (Gray, 1995a; 2000; 2001; 2002), it is a new concept within the field of policy analysis and is likely to be a useful addition to a British policy world that is increasingly dominated by 'governance' modes of provision and discourse where the focus is on multi-organisational and multi-level modes of provision and oversight (see Stoker, 1999; 2000). The extent to which this specific strategy has developed, or develops in the future, in other policy sectors is something that needs to be pursued, particularly as single-organisation modes of service management and delivery become decreasingly the norm within Britain, thus opening up new arenas for the development of such strategies as attachment for purposes of policy innovation.

Clearly the investigation of the arts policy sector raises many questions about the dominant models and assumptions that underlie policy analysis. The provision of new models and assumptions in this case serves the purpose of both identifying the unique features of the sector and the necessity of having the appropriate tools for the job of analysing it. The potential benefits for the adequacy of description of the developments that have taken place within this policy sector and for the analysis of other policy sectors are clear. The extent to which recent developments serve to underline these points forms the subject of the next Chapter.

CHAPTER 6

RECENT DEVELOPMENTS IN THE POLITICS OF THE ARTS

The intention of this Chapter is to provide an assessment of recent changes and developments in the field of arts policy in both Britain and the comparative arena. It also assesses the extent to which the original analyses that were presented have held up under the short passage of time since they were originally written.

The most significant developments that have taken place recently in the arts policy sector in Britain have been at the regional level in England. The long drawn out disagreements between the central and regional tiers (Gray, 2000, ch. 6) have reached a new level (whether this is seen as an improvement or a worsening of the situation depends upon which direction it is being approached from), with the effective abolition of the Regional Arts Boards (RABs) in 2002, when they were 'merged' into the Arts Council of England (ACE) (Arts Council of England, 2002, p. 1). This development took place remarkably rapidly and formed an effective *coup d'etat* by the ACE, with minimal discussion and negotiation between the RABs and the ACE itself. While this simply marked a further step in the development of the 'arms-length' principle, from 'arms'-length' to 'hands-on' (see Gray, 2000, ps. 148-9; Taylor, 1997), it did signify a shift in the balance of power towards the centre itself, with the ACE assuming an even more central role then it had had in the past.

The abolition of the RABs marked a structural change back to the position of the 1950s, when the then ACGB had a set of regional offices which were abolished between 1952

and 1955. This original act of abolition had the direct consequence of leading to the development of the Regional Arts Associations (RAAs) from 1956 onwards (Gray, 2000, p. 69), and the development of new relationships between the regional and national levels of the arts system from that time. The clear act of centralising aggression by the ACE that is represented by the effective removal of the autonomy of the RABs may simplify the administrative system, but it fails to resolve the essential problems that exist in the relationship between the two tiers which were identified over twenty years ago (ACGB/RAA, 1980). The failure to grasp the nettle of these abiding problems means that there is unlikely to be a satisfactory outcome from subsuming the RABs within the ACE. At best the centre can reimpose its own sets of value preferences (Gray, 2000, ps. 98-103) on the regional tier of the arts system, but there is no guarantee that these will serve to provide an effective mechanism for managing the diverse needs, preferences and requirements of other levels within the system. Given the nature of these values, with an emphasis on national concerns and professional production, it is more likely that they will fail abysmally in this process, providing further decentralist demands within the system at some point in the future.

The commodification thesis identifies the significance of geographical differentiation within the arts system as a means for managing the process of change (Gray, 2001; 2002). This geographical feature is likely to mean that the imposition of centrally-defined preferences will meet with either outright opposition, or will fail to meet the specific demands that exist in distinct localities. At the very least the commodification thesis would anticipate that the consequence of this would be the generation of new political

battlegrounds within the arts system (even if the arguments that are involved in these are exactly the same ones as those that existed in the 1950s), particularly given the further changes that may develop at this level with the drive towards regional forms of governance (see Office of the Deputy Prime Minister, 2002). The development of the Regional Cultural Consortia across England since 1999 has introduced new actors into the arts system. At present these have had minimal impact on the policy sector but it is probable that they will become more important as time passes, particularly if cultural policy becomes part of the remit of the proposed new regional assemblies. At present arts and cultural policies have not been suggested as key policy concerns for the peripheral regions of England that are likely to be voting on the new assemblies, even if the logic of regionalisation would anticipate them becoming a part of the new governance arrangements. At the very least the activities affecting cultural and arts policy in Scotland, Wales and Northern Ireland require examination in this context, as the new regional Parliament and Assemblies in each place have a direct over-sight role to play in this policy sector, and may serve as a precursor to English developments.

At this level of discussion of the regional tier it is clear that the analysis that is presented in the publications not only helps to explain what has been taking place but also provides some guidance as to what is likely to develop in the immediate future. This is particularly relevant in the context of the development of more complex governance structures for the management and delivery of arts and cultural policies through the development of not only the regional cultural consortia but also through the introduction of the local cultural plans which local authorities must now produce. At the very least the regional tier in the

state-supported arts system is likely to assume a new significance given these developments. While the original problems in the relationship between this regional level and the centre have not been satisfactorily resolved and the simple abolition of the RABs is unlikely to provide a solution to the continuing friction that is still in place, the commodification thesis would imply that it is probable that this tier will become an increasing focus for policy activism within the arts sector.

Clearly the abolition of the RABs (or their 'merger' with the ACE) deserves further study. Through informal discussions with people within the arts system (particularly East Midlands RAB) at the time this happened, one side of this policy development has been identified; a closer look at the view from London (the location of both the ACE and, crucially, the Department for Culture, Media and Sport as the 'home' department for the RABs) would be necessary to understand the whys and hows of the arguments that were used to justify this move. Each of these participants in the process of change had their own agendas for action and how these were pursued would be an important element in elucidating the details of the reform. While, at present, it is far too early to estimate the impact of this change - particularly whether it actually resolves the long-standing problems within the system or not - a longitudinal study of how the system adapts to this structural (and behavioural) change would also be useful, not only from the perspective of the arts policy sector but also from the broader perspectives of public administration and the commodification thesis as well. The commodification thesis, for example, would imply that abolition provides a basis for the imposition of a single dominant set of values within the arts system, and that this would lead to a loss of policy variability between

regions in terms of both policy choice and policy direction. This could then potentially lead to an undifferentiated pattern of arts support provision. Whether this will prove to be the case remains to be seen.

A second area for analysis concerns the expenditure patterns within the arts system. While some preliminary work has been undertaken in this area (Gray, 1995b; 2000), there is still a lot to be done. A specific issue concerns the geographical distribution of money within the arts system (this has become even more marked as a concern since the introduction of the national lottery in November, 1994). It is intended to undertake a detailed analysis of the allocation of ACGB/ACE monies to the regions. When allied with the figures from the RAAs/RABs, this will provide a complete picture of regional consequences of central state support for the arts in England. (It would also be possible to undertake this exercise for Scotland and Wales, and, for comparative reasons, this would be necessary to round out the complete picture).

Likewise a direct comparison of centrally-allocated money with the distribution of arts money via the national lottery would also be informative. If both the ACE/ACGB/Arts Council for Scotland/Arts Council for Wales/Arts Council for Northern Ireland and the national lottery distributing body for the arts have been allocating money to the same sorts of schemes, with distinct biases in the sums of money involved per region, then questions about both the independence of the system and the equity of the distribution of funds come into play. This remains true even though the ACGB was abolished before the introduction of the lottery. A continuity of grant distribution after that abolition would

indicate a continuity of value expression in the allocative process, implying a centrality for the ideological dimension within the arts sector that the commodification approach would anticipate. Such a finding could only be considered in the light of the development of longitudinal measures that are appropriate for this subject.

A second financial element to consider would be a great deal more complicated to undertake but certainly deserves the effort. This concerns the amount of money that local authorities throughout the United Kingdom actually spend on arts and cultural policy. In Scotland and Northern Ireland expenditure on 'cultural policy' is a statutory obligation, rather than being the discretionary function that it is in England and Wales (Gray, 2000; 2001; 2002). What the consequences of this actually are is still currently unknown. A starting point to discover the results of this difference in legal status can be found in the analysis of what gets spent, on what activities (and with what results). Again, a comparison between the different systems (Scotland/Northern Ireland and England/Wales) would be of obvious utility in this context. The largest problem with this is that it is difficult to get a clear picture of how much is spent within a single local authority on the arts and cultural policy, let alone all of them (see, for example, Casey et al, 1996, p. 29; Feist and Dix, 1994; Marsh and White, 1995; Selwood, 2001). This does not mean that it is impossible to undertake such a study, only that it would take a great deal of time and effort.

A further area to consider would be the recent decision to make Liverpool the United Kingdom's choice as European 'Cultural Capital' for 2008. Undoubtedly there will be a

minor British academic industry developed around precisely this topic, not only to examine the choice that was made, but also the consequences of that choice in the periods before, during and after 2008. A more useful topic to examine, as much less researched than the 'city of culture' phenomenon (see, for example, *The International Journal of Cultural Policy*, Vol. 6, No. 2, 2000, which had articles on the general policy, and specific discussions of the event in Rotterdam, Helsinki and Weimar), would probably be how the European Union makes its own decisions on this specific policy issue. This is clearly under-researched not only in comparison with the numerous case-studies of individual cities, but also in comparison with other European policy areas (see Peterson and Bomberg, 1999).

Finally, an examination of how the arts have been dealt with in the context of the Scottish Parliament and the Welsh and Northern Irish Assemblies also deserves coverage. Not only are each of the geographic regions particularly under-researched, but there are also specific issues related to these countries (see Gray, 2001) and how the arts are managed within them that require further investigation and analysis. At this level the argument can also be extended to a wider comparative remit as well. Not only are there internal comparative areas of interest within the United Kingdom but there are also external comparative concerns to consider. The limited comparative analysis that was undertaken in Gray, 2000 (ch. 8 in particular), should be both widened and deepened. While the focus in this earlier work was on the European dimension to change in arts policy sectors - and was based at a generalised level of indicative examples - it would be informative to extend this analysis in greater depth to assess the extent to which processes of

commodification have been taking place in the arts sectors of other European countries. This analysis could then also be used to broaden the argument by examining changes in the arts sectors of non-European countries where the level of comparative similarity in arts sectors is less. In particular the largely private-sector driven models of the United States and Japan (see Zemans et al (1999, ch. 1)) could usefully be compared with the situation in Europe, as could the Australian model with a long tradition of active state involvement.

The commodification thesis develops the argument that there should be clearly identifiable national (as well as regional and local) differences in terms of how change is managed within policy sectors. The extent to which this holds true in state systems that operate not only through different organisational structures, but also through ideologically distinct sets of practices would provide a larger test of the validity of the arguments of the commodification thesis than the single-nation study of Britain allows for. While the thesis is clearly applicable to the British case the extent to which it is also appropriate to other systems deserves further study.

CHAPTER 7

CONCLUSION

The intention of this Conclusion is to indicate how the preceding Chapters contribute to the purposes identified in Chapter 1. Whilst the works under consideration contain a large number of strengths there are also some areas that require further development either of the arguments that are utilised or of their application. To present a full picture of the value of this work some attention also needs to be paid to these limitations, and this will be undertaken in this Chapter.

The works under consideration have a number of points in their favour (see Chapter 4). A major strength is that they have provided completely new empirical evidence and information about the state-managed arts sector in Britain, which is drawn from a range of disparate sources to provide a coherent analysis of the structure, processes of activity within, and processes of change affecting this sector. The arguments that have been advanced as the theoretical grounding for the research have provided two new approaches to the analysis of the policy sector, which are also transferable to other sectors. These approaches – the commodification thesis, and the policy 'attachment' argument – are genuine innovations in policy analysis.

As a consequence of developing the research that informs the publications, further theoretical and methodological concerns about the field of policy analysis have been generated (see Chapter 5). While the analysis that lies behind these concerns may not be entirely new, the points that are raised deserve attention as they serve to question the

underlying paradigms that dominate in this area of study. Indeed, the emphasis on the selection of the appropriate tools for undertaking policy analysis, which has formed a part of the discussion of arts and cultural policy from an early stage (Gray, 1992; 1996), is an important element of the arguments that underlie the research, and is one that too often gets overlooked.

While these are undoubted strengths in the publications, there are also areas where some strengthening of the argument could take place. Firstly, in common with most discussions deriving from Marxist value-categories, the precise linkages that exist between the economic sphere of activity and the political and social spheres are open to debate. While these arenas may be capable of analysis as separate entities, the utility of approaching analysis without identifying the precise mechanisms that link them together is limited, leading to an inevitably partial understanding of what is occurring. In the case of the commodification thesis what links the process of value-category change to further changes in structure, management, ideology and financing within policy sectors is to be found in the dominant values and ideologies that are utilised by political actors in the process of implementing change. The precise mechanisms by which this is undertaken requires further development of the argument, and can form the basis for future research not only in the policy sectors of the arts and cultural policy but also in other sectors.

In a similar vein, an assumption within the thesis is that there will be similarities of effect across the policy sector involved, even if there are variants depending upon the specific organisational and geographical locations within which change is taking place. While this

can be demonstrated within the British context the international, as distinct to the intra-United Kingdom, comparative dimension is somewhat weaker. At least in part this is a consequence of the indicative (rather than absolute) nature of the evidence that has been presented, as well as being a consequence of the limited political analysis of these policy sectors in other countries. Whilst the Council of Europe has published a number of studies of the structure of arts and cultural policy sectors in different European countries (see, for example, Council of Europe, 1991, 1994), the underlying questions of ideology and values within these countries is still under-investigated. Interesting questions, however, remain as to whether the basic motivating forces that have lain behind change in other nation-states derive from the same sets of value-category change as the British case implies, or whether there are alternative explanations that could account for these changes without the need for the commodification thesis. At the very least it would be fair to say that the precise mechanisms of change *do* differ between the European states concerned (for example, change in Germany could not possibly be meaningfully discussed without reference to the reunification of the state in 1990), but that at least some of these changes clearly do derive from the same underlying factors as has change in Britain (see, for example, the discussion in Dessayre and Garbownik (1995) concerning managerial change in the French arts sector). The question as to whether there have been larger patterns of similarity between Britain and other European states remains partially unanswered therefore - at least until a more detailed comparative analysis is undertaken.

Likewise there is scope for clarification and further study of the comparative dimension within the United Kingdom itself (see Chapter 6). The general discussion in Gray, 2000, 2001 and 2002 implies that there will be some specific differentiation between how the processes of policy change arising out of value-category change will develop as concrete phenomena within the United Kingdom as a whole. The extent to which there are real differences between, and within, England, Scotland, Wales and Northern Ireland has, however, been less clearly developed. In a general sense there are broad similarities between what has been occurring across the United Kingdom (demonstrated in Gray, 2000), but there are still specific cases that need to be pursued in more detail to distinguish precisely between the consequences of systemic change and local variation within this policy sector. For example, the question of why the arts and cultural policy became statutory functions for local authorities in Scotland and Northern Ireland but not in England and Wales would be an informative case to examine.

Such research could also extend beyond the specific case of the arts and cultural policy sectors themselves to incorporate the implications of developments within the British system of government as a whole. The development, for example, of the Scottish Parliament and the Welsh and Northern Irish Assemblies opens up new territory to explore in terms of how these bodies operate in terms of arts and culture, and whether these sectors differ from, for example, how local government or health or housing are dealt with in the new regional dispensation. Likewise questions of governance can also be explored in terms of how the new regionalism operates. Are new links between local and

central organisations being developed? Which values dominate within these links? What will be the impact on pattems of accountability?

While there is potentially an ever-expanding range of issues that the current research could feed into, it is concluded that any such development should take place after the core arguments within the commodification thesis and the policy attachment argument have been further developed. The ability of these lines of argument to not only open up new areas of analysis but also to provide persuasive evidence for how to understand activity in the fields of arts and cultural policy is sufficient to indicate that the effort of deepening and broadening these arguments is worth pursuing, not only for these policy sectors but for others as well. Clearly there is a great deal of future work to be undertaken in pursuing these issues across policy sectors demonstrating the value of the underlying arguments as tools for analysis.

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Cultural Politics and Policy

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'The Commodification of Cultural Policy in Britain'

Introduction

In common with many other policy areas cultural policy in Britain has seen attempts being made by central government to change the basis upon which it operates. The introduction of a new climate within which the production and management of cultural policy takes place has had marked effects on many different dimensions of the policy arena. The intention of this paper is to investigate the processes of changing the manner in which cultural policy is both made and managed, and the extent to which these changes have served to commodify this policy area. By locating these changes in the context of changing conceptions of public management and by investigating the impact that these have actually had, an evaluation of the policy consequences of attempts to re-make the network for cultural policy can be provided.

Commodification in a Changing Society

In common with other policy areas, cultural policy has undergone many changes in the recent past. These changes have been broad in scope and would appear to have re-structured the cultural policy arena fairly effectively:

> 'The eighties have seen major changes in the way the arts are perceived, run and funded. The language of the arts world has had to absorb a dictionary of business-speak. New relationships have had to be made with, initially, strange beings. New jobs have been developed requiring a different kind of creative ability.'[1]

The idea that cultural policy has undergone a re-formulation during the period of Conservative Party government since 1979 is not a new one. The nature of this change, and its' implications for cultural policy, have yet to be considered, even if the specific changes that have been introduced are well-covered.[2]

The introduction of a new discipline for cultural policy, based upon ideas drawn from the world of business, which has certainly been a feature of

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[1]Southern Arts, *The Arts Business*, Southern Arts, 1989, p.3.

[2]See A.Beck, 'The Impact of Thatcherism on the Arts Council', *Parliamentary Affairs*, 42, 1989, pp.362-79; O.Bennett, *British Cultural Policies, 1970-90*, paper delivered to Maison Française, Oxford University, 1991; C.Gray, *Government Beyond the Centre*, Macmillan, 1994, pp.135-40; A.Taylor, 'Policy Chaos or Chaotic Policy?: The Arts and Politics in Post-War Britain', *Talking Politics*, 7/2, pp.27-32.

the changes that have been introduced, implies a movement away from the élite pre-occupations that have commonly been seen in the world of cultural policy in Britain towards a form of economic democracy predicated upon assumptions about citizenship that differ markedly from those to be found in the post-war social welfare consensus.

The meaning to be attached to this shift of emphasis differs depending upon which policy area is examined. In some cases it consists largely of changing the relationship of state organisations and the 'consumers' of their services through devices such as the various 'Citizen's Charters' that have come into existence in, for example, British Rail and the National Health Service (NHS). In other cases it is through the provision of further information for 'consumers', as, for example, 'league tables' in education. At the other extreme there have been attempts to change the basic nature of how a policy sector operates, as with the creation of NHS Trusts which have introduced a pseudo-market split between purchasers and providers, and with the introduction of Compulsory Competitive Tendering (CCT) in the NHS and local government which is intended to introduce a more clearly-defined relationship between service delivery and cost.

Such examples can be multiplied to cover all of the public sector – as well as those industries that have been privatised and been provided with regulatory mechanisms. The intention behind such changes has certainly been to introduce a greater cost-consciousness into the public sector. Alongside this, however, has also been the desire to change the basic relationship between the providers of public services and those who receive them.[3] This change has been argued to mark a shift away from democratic principles towards those of the market-place, where citizens are treated as individual consumers rather than as members of a wider society.[4]

Making sense of these changes is an important task – the implications for how public services are managed and provided, and how the citizen is related to these activities, have important repercussions for all of society. Equally, an understanding of the mechanisms that are at work in the processes of remaking the public sector have important lessons for public administration and management to learn from.

The shift in emphasis towards the 3Es of economy, efficiency and effectiveness in public sector management could be argued to be symptomatic of a wider shift towards a process of *commodification* in public goods and services. Such a process, if, indeed, it is taking place, ties in with the newfound stress on economic relationships in public policy whilst also implying that deeper changes in the political economy of the public sector are taking place. This argument rests on two lines of development: the first arguing that the process of commodification changes the balance of factors that are considered to be important in the structure of public policy; the second arguing that socio-economic change has affected both the private and public sectors in particular ways that have an underlying logic to them that is amenable to investigation.

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[3] J.Gyford, *Citizens, Consumers and Councils*, Macmillan, 1991, chapter 2.

[4] See G.Stoker, 'Local Government', in F.Terry & P.Jackson (eds), *Public Domain: 1992*, Chapman & Hall, 1992, pp.67-77.

In terms of the commodification argument the essential starting-point lies in what this process actually entails. At its' crudest commodification is concerned with replacing political values with those of the market. Whether this arises from ideological motives or as a necessary consequence of the development of capitalist societies is not the point at this stage. What is important is that areas of public policy become locked into market mechanisms of supply, pricing and demand. In this context the products of public policy become indistinguishable from the products of the private market-place and are treated as economic goods that are subject to the same forces as affect the private market-place.

Clearly, such a development has yet to take hold of most parts of the public sector in Britain. However, it is clear that Government policy since 1979 has been intended to introduce simulants of the private market-place into the public sector. CCT and the Trust system in the NHS both, for example, depend upon the introduction of quasi-markets for the goods and services that are affected. Equally, the creation of a cost-centre approach into central government Departments is also predicated upon assumptions about management and control that are derived from private sector experience. As such, regardless of whather things have really changed as a result of the introduction of such new systems, commodification would appear to be alive and well in the public sector.[5]

In terms of the second line of argument, that socio-economic change has generated forces leading to the re-design of the public and private sectors, the arguments of regulation theory subsume those of commodification and provide a context for explaining what is going on in the re-structuring of British government and administration.

Regulation theory appears to have as many variants as there are authors on the subject[6], however, the basic argument that is put forward is similar across these variants. In essence this argument is that the continuation of existing forms of capitalism is not inevitable, and that the capitalist system depends upon the creation and development of appropriate forms of management and control to avoid collapse. These regulating mechanisms affect both the economic system and the social institutions and values that underlie the ideology of capitalism. In periods of crisis both the economic and social forms of regulation must change if capitalism is to survive.

The processes of change do not, in the regulation theory model, occur automatically, and they do not automatically lead to an effective solution to the problems of capitalism. Instead there is a process of trial and error, and outbreaks of conflict within society, until such time as there is an appropriate match between the requirements of capital accumlation and social structures.

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[5]See G.Jordan, *The British Administrative System*, Routledge, 1994.

[6]Compare, for example, B.Jessop, *Conservative Regimes and the Transition to Post-Fordism*, Essex University, Essex Papers in Politics and Government, 47, 1988; G.Stoker, 'Regulation Theory, Local Government and the Transition from Fordism', in D.King & J.Pierre (eds), *Challenges to Local Government*, Sage, 1990, pp.242-64; J.Painter, 'Regulation Theory and Local Government', *Local Government Studies*, 17/6, 1991, 23-44; P.Hoggett, 'Farewell to Mass Production?, in P.Hoggett & R.Hambleton (eds), *Decentralisation and Democracy*, Bristol University, SAUS Occasional Paper 28, 1987.

Essentially regulation theory claims that changes to outmoded forms of economic production occur alongside changes in social forms and values. These changes will involve conflict, both within the machinery of the state and between the public and private sectors of the economy. There is no guarantee that these changes will succeed as intended, and it is likely that there will be a long period of turmoil before the appropriate match of economic and social forms of regulation occurs. Lastly, it stresses that change will take place in both organisational/structural forms and the ideological/managerial climate within which the public and private sectors are operating.

In this line of approach commodification is only a part of much larger changes that are occuring within the economy and society as a whole. Commodification has both an economic and a social dimension to it, and these need to be considered jointly when investigating the processes of change that are occuring within policy areas. In this respect changes in cultural policy can then be compared to changes that are occuring elsewhere.

Commodification and Cultural Policy

The argument that commodification is occuring in the field of cultural policy is gaining ground[7], as it is in the entire field of leisure policy[8], while regulation theory as an explanatory mechanism for this change is also becoming popular.[9] The extent to which either commodification or regulation theory are appropriate for explaining the changes that are occuring in the field of cultural policy needs to be examined. To do this three dimensions of change in cultural policy will now be examined.

The three dimensions of change to be investigated here are: organisational, ideological and financial. These dimensions of change incorporate the essential ideas of regulation theory and commodification whilst disaggregating the different impacts that each of them has for policy. Organisational change involves re-making the structural environment within which cultural policy is made, both through reforming existing organisations and through changing the operating practices of these organisations. Ideological change affects the culture and climate within which policy is made through the establishment of patterns of acceptability for policy choice. Financial change, lastly, alters the mechanisms and sources of funding for the organisations that have a responsibility for cultural policy.

Between them, these dimensions of change provide a broad check-list for assessing the extent of real change that has taken place within policy areas. Given that the arguments of commodification and regulation theory indicate that change will take place in a number of different areas it is important to adopt an approach to the analysis of change that incorporates a variety of forms of change.

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[7]See, for example, J.Myerscough, *The Economic Importance of the Arts*, Policy Studies Institute, 1988.

[8]J.Kelly, 'Commodification and Consciousness', Leisure Studies, 10, 1987, pp.7-18.

[9]I.Henry, *The Politics of Leisure Policy*, Macmillan, 1993, chapter 7.

Organisational change in the field of cultural policy displays elements of both stability and real change. Stability lies in the operational practices that are in force, and change in the reform of existing organisations. In the case of the latter the dominant organisational structures for cultural policy operate at national, regional and local levels. The national and regional levels have seen a considerable shaking-up of the participants involved in cultural policy in a process of change that has been dominated by the concerns of central government itself.

The most obvious expression of organisational change in cultural policy came with the establishment in 1992 of the Department of National Heritage (DNH). This Department incorporated responsibilities that had previously been distributed across a number of other Departments: cultural policy itself from the Office of Arts and Libraries; film from the Department of Trade; broadcasting and the press from the Home Office; sport from the Department for Education; and tourism from the Department of Employment. The DNH was intended to provide a coherent and co-ordinated approach to the management and development of policy across the entire range of cultural and heritage activities of the state.[10]

A second major structural reform came with the replacement of the Regional Arts Associations (RAAs) with the new Regional Arts Boards (RABs) in the aftermath of the Wilding Report.[11] The significance of this change was that while the RAAs had been effectively established, and were dominated by, local authorities, the RABs were established, and their membership controlled, by central government. This had the consequence of side-lining local authorities and limiting their impact in terms of cultural policy to the locality, rather than allowing them a considerable input at the regional level as they had previously had through the RAAs.

The third, and last, major structural reform came with the fragmentation of Arts Council of Great Britain into separate, independent, Arts Councils for England, Scotland and Wales in 1994. Previously Scotland and Wales were provided with separate sub-committees of the main Arts Council which acted relatively autonomously of the Arts Council itself. These sub-committees were funded via the Arts Council, which, in turn, was funded from central government. Under the new regime the independent Arts Councils for Scotland and Wales are funded via the Scottish and Welsh Offices respectively.

The full impact of these structural reforms has yet to become apparent but needs to be seen in the light of the changes, or, rather, the lack of changes, in the operational practices that are in force within them. Traditionally the field of cultural policy has seen the entrenchment of a relatively élitist form of dominance,[12] with certain values being emphasised over oth-

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[10]For an evaluation of this change and the political implications of it see N.Ravenscroft, 'Paradise Postponed? The Department of National Heritage and Political Hegemony', *Critical Social Policy*, 41, 1994, pp.5-17; N. Ravenscroft, 'Leisure Policy in the New Europe', *European Urban and Regional Studies*, 1/2, 1994, pp.131-42.

[11]*Supporting the Arts: A Review of the Structure of Arts Funding*, Office of Arts and Libraries, 1989.

[12]See R.Williams, 'The Arts Council', *Political Quarterly*, 50, 1979, pp.157-71; R.Hutchison, *The Politics of the Arts Council*Sinclair Browne, 1982; A.Beck, 'Politics

ers. There is no evidence, as yet, to indicate that this position has changed. Beck[13], for example, has argued that Ministerial appointments to the Arts Council support a shared set of values that emphasise 'orthodox, conservative, artistic tastes', and that these are reinforced by the appointments that have been made to the new RABs.

One area that has generated debate about the changing nature of the operational practices of cultural policy organisations lies in the 'arm's-length' principle that has been an important element of state involvement in this area for many years[14] This principle attempts to separate the state from direct involvement in decisions affecting the production and funding of cultural policy, largely from fears of introducing state censorship and control into this area. Such a solution, encouraged by the use of quangos such as the Arts Council, was accepted by all of the participants in the field from the 1940s onwards. By the early 1980s, however, it was increasingly being argued that this principle was coming under strain, with central government Ministers becoming increasingly intrusive into the management and decisions of the central organisations concerned with cultural policy. [15] Indeed, when Luke Rittner, the Secretary-General of the Arts Council resigned in 1990 he argued that the arm's-length principle ran the risk of being done away with altogether and that this was a serious danger to the independence of the arts support system.

Certainly there have been few, if any, significant changes made to the manner in which decisions affecting the funding of arts organisations take place. The recent furore over the funding of orchestras in London, for example, would appear to bear many of the same hallmarks that marked the last attempt to change such funding in 1970[16], with much the same result of minimal, if any, change. The dominant shared values that are found in the major organisations for cultural policy appear to militate against change at the level of the operational practices that exist.

This point leads on to the consideration of *ideological* changes in the field of cultural policy. While the dominant frame of reference *within* the organisations of cultural policy has yet to significantly change, the *context* within which these organisations operate *has* changed. The attempts by central government to end the 'dependency culture' of the public sector and the drive to introduce a more entreprenurial and management- orientated approach to the administration of public policy has certainly had an effect upon the overall structure of cultural policy in Britain.

The moves towards an ideological shift in cultural policy have taken many forms over the last 15 years. In general these moves have aimed at shifting the emphasis within arts organisations towards a greater appreciation and use of traditional business practices such as marketing[17], and a

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and Cultural Policy in Britain', *Talking Politics*, 4/3, 1992, ps. 139-42; C. Gray, *The Network for Cultural Policy in Britain*, De Montfort University, Cultural Policy Occasional Paper, number 3, 1995.

[13] *Op cit*, p.142.

[14] F.Ridley, 'Tradition, Change, and Crisis in Great Britain', in M.Cummings & R.Katz (eds), *The Patron State*, Oxford University Press, 1987, pp.225-253.

[15] See R.Shaw, *The Arts and the People*, Jonathan Cape, 1987, chapter 4.

[16] See A.Peacock, *Paying the Piper*, Edinburgh University Press, 1993, chapter 4.

[17] J.Lewis, *Art, Culture and Enterprise*, Routledge, 1990.

closer linkage of cultural policy with other development aims, such as urban regeneration.[18] To argue, however, that for most of the participants in the world of cultural policy this shift in emphasis marks a major change would be over-stating the case.

While the Arts Councils, the MNH and the RABs may be finding a significant alteration of their operational codes, for many of the lower-level participants in arts and cultural policy there has been less of a sea-change in force, and what changes have taken place have been less a consequence of ideological re-orientation than a result of changes in the nature of leisure and culture.[19] The divisions in cultural policy between a high-level value élitism and a lower-level pluralism are re-inforced by this split in practical orientation. The greatest changes at an ideological level appear to be present at the apex of the system, and given that this is where the dominant power within cultural policy lies this might be expected to be the case.

The results of changes at the apex of the system have yet to become fully apparent. The development of strategies and programmes for the future management and direction of cultural policy has been begun with the major consultation exercise co-ordinated by the Arts Council that produced Towards a National Arts and Media Strategy[20], followed by A Creative Future[21], which provided principles and policies for the funding of cultural policy and a policy framework for public support for the arts. The development of initiatives in response to these is only just beginning.

Financial change has seen perhaps the greatest practical set of consequences for cultural policy in recent years, largely in response to pressures to contain public expenditure. The impact of financial change has implications for all of the participants in the cultural policy system and has seen many different strategies adopted to the management of expenditure. These can be summarised as levels, allocation and sources.

In the case of levels of funding cultural policy has been under strain as have most other areas of public expenditure. This has been particularly acute in the case of local authority funding which, as a discretionary area of expenditure, has been under great pressure: East Midlands RAB, for example, saw its income from local authorities decline by 30% from 1991/92 to 1992/93. At the national level, however, there was an expansion of expenditure by the Arts Council from 1988/89 onwards, with the November 1994 budget increasing allocations to the arts at a rate greater than that of inflation.

Where the funds that are available are allocated has seen little significant change, with the national 'centres of excellence' (largely based in London) continuing to receive the lion's share of the available national funding. The inability of the Arts Council to change funding levels for London orchestras is indicative of the problems that might appear to exist at this level. At

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[18] F.Bianchini, 'Urban Renaissance? The Arts and the Urban Regeneration Process', in S.MacGregor & B.Pimlott (eds), *Tackling the Inner Cities*, Clarendon Press, 1990, pp.215-50; R. Griffiths, 'The Politics of Cultural Policy in Urban Regeneration Strategies', *Policy and Politics*, 21/1, 1993, pp.39-46.

[19] J.Street, 'Global Culture, Local Politics', *Leisure Studies*, 12, 1993, 191-201.

[20] Arts Council, 1992.

[21] Arts Council, 1993.

a more local level shifts towards funding more 'popular' forms of cultural policy have taken place[22], although given the limitations on local funding this has had only a patchy effect, with some localities benefitting from such shifts more than others.

Governmental initiatives in terms of changing the sources of financial support for cultural policy have tended to concentrate on developing new sources altogether rather than adapting existing ones. The introduction of the national lottery, for example, is meant to provide complementary finance to that provided by the public sector – although how this is meant to operate is by no means clear – and the attempts to improve levels of business sponsorship, largely through the Business Sponsorship Incentive Scheme that was established in 1984, has had only a small impact as yet.

The consideration of these three dimensions of change – organisational, ideological and financial – indicates that while there have been many changes introduced into the cultural policy system these have yet to have a marked effect on it. The drive towards an economically-based policy system would appear to be, as yet, only at the early stages, with 'traditional' patterns of activity and relationships within the system being largely unmarked by change.

The relative stability within cultural policy that is implied by this claim should not, on the basis of the arguments of commodification and regulation theory, be considered surprising. The moves towards changing the cultural policy network are not only relatively recent in date, implying the need for them to be worked through, but are also aimed at different dimensions of the network. Thus, some areas of the network, and some participants, will have been subject to much greater degrees of change than will have been others and the extent to which real change will be apparent will depend upon what and who is being looked at. Certainly it would appear that the greatest change is taking place at the more local levels within the system, with the dominant central components of it being, as yet, relatively untouched[23] by the attempts to remake the system with the possible exception of a lessening of importance being attached to the arm's-length principle.

This last point is important for the overall cultural policy network as an increasing role for central government in decisions that affect the core components of the system can be anticipated to have knock-on effects for the rest of it. While it still remains an open question as to how far movement has gone towards abolishing this principle it is indicative of the extent to which an agenda of change is present within cultural policy.

Conclusion

The relative lack of movement that is apparent in cultural policy at present may be taken as meaning that processes of commodification are not particularly evident. However, the fact that changes have been introduced

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[22] J.Street, 'Local Differences?: Popular Music and the Local State', *Popular Music*, 12/1, 1993, pp.43-55.

[23] Although see Taylor, *op cit*, who argues that the Arts Council is becoming increasingly side-lined as a result of government policy.

into the system along a number of dimensions would indicate that this is a short-term view. Regulation theory, in particular, would expect a period of adjustment to take place before significant change could be seen to have occured within any single policy area. In this light the developments that have been taking place could perhaps be seen as the preliminary fumblings towards the establishment of a more fully commodified system for cultural policy.

Such a conclusion depends to a large extent upon the validity of the arguments of regulation theory itself, and the extent to which the changes which have taken place are understood. While regulation theory sees change as a mechanism for re-establishing hegemonic control over both the economic and social dimensions of capitalist societies[24] less radical theories will interpret the variety of changes that have taken place in a very different light.[25]

At a basic level the commodification of cultural policy is concerned with a change in the political economy of the policy area. Instead of treating 'culture' as a form of public good, the nature of which is indivisible and therefore appropriate for investment, funding or subsidy from public, collective, sources, commodification removes culture to the status of a private good, indistinguishable from, for example, cars, clothes and washing machines. In this new context the outputs of cultural production are divisible, thus damaging, if not totally destroying, the case for financial support from the public sector.

The changing system, even if these changes have yet to go far, has important implications for any political system that is directly involved in cultural policy. The underlying change in ideology concerning the status of cultural goods certainly implies that market mechanisms are not only adequate but are also inherently superior to collective ones. As a consequence systems of managing and planning cultural policy that have developed within a particular political system would require a major re-orientation to align them with the new structures of production and provision that commodification would necessarily give rise to. Such a change would, in turn, require a re-appraisal of the role, if any, that the state should be pursuing in this policy area, especially in terms of the long-term planning and development of cultural policies themselves.

In this light it should be expected, as regulation theory argues, that the field of cultural policy will continue to be a site of political debate and conflict as the processes and consequences of change within the system unfold. The movement towards a commodified system of cultural policy in Britain is still at an early stage and much remains to be done before the traditional certainties of state support for culture are over-turned.

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[24] R.Bertramsen et al, *State, Economy and Society*, Unwin Hyman, 1991, chapter 2.
[25] See Gray, *Government Beyond the Centre*, chapter 8.

Comparing Cultural Policy: A Reformulation[1]

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The publication of Kawashima's (1995) article in this Journal is an important first step towards the development of a consciously comparative approach to the study of cultural policy. However the approach that is presented for how such studies should be conducted, and the questions that are identified as being significant for them, are both open to debate. In particular the methodological assumptions and the implicit support for a certain form of research strategy that are presented require a great deal more justification than they are given.

The intention of this article is to argue that there is no single 'best' strategy for undertaking comparative policy research in the field of cultural policy, and that there is no all-inclusive list of what *should* be investigated. Starting from different views of what comparative policy research is concerned with provides the possibility for developing an alternative prospectus for future comparative work that incorporates but is more wide-ranging than that presented by Kawashima (1995, ps. 298–303), and which allows for the development of a multiplicity of approaches and areas of study for the comparative analyst.

COMPARING PUBLIC POLICIES

The comparative study of public policies has developed a great deal since the fledgling efforts of the 1970s. A range of strategies have been developed over time that lead to different emphases upon aspects of the policy process: Hancock (1983), for example, differentiates between general and theoretical perspectives, those that deal with the determinants of policy and those that are concerned with policy outputs and evaluation. Heidenheimer *et al* (1990, ps. 7–9) distinguish between six analytical approaches: socio-economic, cultural values, party government, class, neo-corporatist and institutional-political. Hall (1986, ps. 5–20) likewise identifies six approaches: functionalist, cultural analysis, public choice, group, state-centric and institutional.

This plethora of strategies for understanding public policy in a comparative sense by no means exhausts the list of what is available but what is important is that they identify distinct modes of analysis, emphasising certain aspects of the policy process over others and investigating different features of what is involved in this process. In this respect Kawashima (1995) is essentially concentrating on policy outputs and evaluation within a framework that is predicated upon assumptions from economics.

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Such an approach lends itself to certain forms of analysis rather than others and, equally, closes off some forms of investigation altogether. This is acceptable as long as these other forms are not completely ignored. One reason for the proliferation of approaches to the comparative study of policy is that 'policy' itself is a multi-faceted phenomenon (Heidenheimer, 1986) and cannot be easily investigated through the application of a single methodological tool-kit.

Additionally there are a number of assumptions that are implicit within the comparative public policy approach that need to be treated with caution. In particular, non-relativism, functional equivalence, comparability of relevant factors, similarity of relevant factors and similarity of underlying processes[2] all need to be confronted and justified in any comparative public policy analysis. This confrontation and justification raises important methodological issues for how, precisely, comparison should be undertaken and needs to be taken on board in any attempt to compare cultural policies.

CULTURAL POLICY

While all policy areas can justifiably claim to be unique, cultural policy has the added problem that its content is so variable between states, largely as a result of the complexities that arise from trying to define what is actually meant by the term (see, for example, Williams, 1981; Jenks, 1993). While this problem is particularly acute in English (Williams, 1976, p. 76 describes 'culture' as one of 'the most complicated words in the English language') it is also present in other languages.

One entry point to analysis is to essentially define cultural policy as what governments say it is. This is implicit in Vestheim (1995, p. 58), for example, where cultural policy is defined as

> a number of activities which are brought together within a *sector*, which in its turn is a randomly defined category into which certain activities are placed and called culture, while other activities or products are kept away and are, therefore, not to be considered culture.

While this may account for some aspects of difference between countries in a descriptive sense it does not *explain* these differences and, indeed, the absence of state intervention and involvement in particular areas can be seen to be as much a policy statement as can its presence in other areas (Feldman, 1975, p. 300).

How the policy area of 'cultural policy' is defined is going to have implications for what form of analysis is adopted to the subject. A definition that incorporates notions of ideological and hegemonic control, for example, could be usefully analysed from a marxist perspective; a definition that concentrates on the processes of policy formulation could be usefully approached from a neo-pluralist direction concentrating on the role of groups (Gray, 1994, ps. 98–104); Vestheim's (1995) definition of cultural policy, quoted above, could be analysed historically (as it is), in terms of the inclusion and/or exclusion of areas from 'culture'.

Clearly there is no *single* approach to the study of cultural policy; instead a multi-dimensional approach is best suited to the analysis of this area of policy depending upon what the analyst is interested in comparing. In this respect there

are a large number of possible forms of comparison that could be undertaken, each with their own sets of research agendas, appropriate methodologies and in-built assumptions. What is an appropriate form of analysis depends, in the first instance, upon the content of the subject of research.

'Cultural policy' has its own specificity that is defined by the content of the field. In general terms this can be taken to mean that it is concerned with the role that is adopted by governmental actors[3] in dealing with those areas of activity that are concerned with the creation, production and maintenance of certain human artefacts and processes.

Attempting to elucidate what these artefacts and processes consist of can lead to a simple listing of different areas of activity (eg. performance arts (music, dance, drama), creative arts (painting, literature), and so on), or different forms of production (eg. media—television, radio, magazines and newspapers), or different locations of production (eg. national, regional, urban (Crane, 1992)), or different types of process (eg. adult education in Sweden or *animation* in France are both important elements of cultural policy in these countries[4]). The incorporation or exclusion of certain artefacts or processes from such a listing is dependent upon the theoretical and methodological assumptions that are being made by the analyst, and these, in turn, will affect how the subject of cultural policy is itself understood and interpreted.

While the exact content of the field is therefore open to debate the central fact remains that a *national* "cultural policy" is marked by governmental involvement of some sort. Such involvement may take a variety of forms of activity from direct promotion (as in the French Ministry of Culture, for example), to the use of non-governmental incentives (as in the use of tax concessions in the United States), to the use of "arm's-length", quasi-independent, organisations (as in the role of the Arts Councils in Britain).

The policy process itself is a structured activity that is undertaken within the context of an organisational universe that incorporates both public and private organisations, a mode of operation (or policy 'style') that is specific to each particular nation-state (Richardson, 1982) and to each policy area (Marsh and Rhodes, 1992), and which incorporates a number of stages (agenda-setting, formulation, implementation, etc) that cut across each other and do not necessarily form a coherently rational approach to policy.

A comparative study of cultural policy needs at the outset to be clear as to *what* is being looked at—and *why* it is being looked at. The need to approach analysis from a theoretically- and methodologically-informed starting-point is essential. From such a basis it is possible to both clarify the object of study and the tools that are required to do the job.

A STRATEGY FOR FUTURE COMPARATIVE RESEARCH

In the light of the above argument a number of possible directions for future comparative research into cultural policy can be identified, along with possible approaches that might be adopted towards such research. These directions are more

wide-ranging than those proposed by Kawashima (1995, ps. 298–303) who concentrates on particular dimensions of the policy process and omits others that, it can be argued, are as important, and perhaps even *more* important than those that she identifies. Even with this in mind what follows is not intended to be an exhaustive coverage of potential lines of enquiry but more an indicative listing of areas of concern.

The Content of Cultural Policy

What is, and is not, included in the content of cultural policy in different states is clearly an important marker of cross-national differences and similarities. A clear picture of what the content of cultural policy in different states (and in larger trans-national organisations such as the European Union) actually *is* is, therefore, a necessary precursor to comparative study. Some steps towards this in terms of Europe are already in place at the descriptive level (Ca'Zorzi, 1989; Fisher, 1990; Scott and Freeman, 1994) but a great deal still needs to be done to clarify what cultural policy actually consists of in different countries or international organisations.

Given that cultural policy, as broadly defined above, is concerned with the choices of governmental actors as to what is included and excluded within it, the nature of these choices in determining the content of the field is an important area for further study. Apart from the descriptive approach an historical investigation of the development of these choices is essential not only for understanding the processes of cultural policy formation but also for understanding the nature of the context within which these choices are made.

In this respect the contextualisation of description is also necessary. While cultural policy is potentially analysable in isolation from other policy areas a more productive line of investigation may be developed from understanding how it is located in terms of broader patterns of state intervention. The extent to which cultural policy either shares, or differs from, dominant patterns of policy activity within or between states is an important area of comparison, not least for clarifying the specificity of this policy area.

The Policy Process

An important part of comparative policy studies is concerned with the structures and processes that are actually used in creating public policies. Not surprisingly this has been the area that has generated the greatest proliferation of models and theories, with each being appropriate for different reasons. To simplify discussion this section will differentiate between *what* is studied and *how* it is studied: in practice such a split is misleading as the two are intimately connected and is only used here to indicate the range of approaches that are available to the analyst.

What is studied can be split up into:

a) the stages of the policy process;
b) the policy actors; and
c) the activities that lead to a policy output.

How these are studied involves a mixture of:

d) theory; and
e) techniques and methodologies.

It is possible to identify a number of distinct *stages* in the policy process (from issue identification to policy change, succession or termination: see Hogwood and Gunn, 1984, p. 4; Jordan and Richardson, 1987, ps. 8–9; Hogwood, 1987, p. 12) which involve a range of distinct activities. Unfortunately these stages do not necessarily occur in a rational or logical manner meaning that identification of these steps is no guarantee that they will actually occur in any given set order. While this limits the utility of concentrating on the separate steps that are involved in any set of policy decisions it does still provide a framework for organising analysis that provides a coherence to the investigation that is being undertaken.

Investigating the *policy actors* is concerned with the actual participants in the policy process. How these participants are understood, and therefore who will be investigated, is determined by the theory that is applied, with different theories concentrating on different sets of actors as being the key participants in the process (Gray, 1994, p. 95). This dimension concentrates on the power, resources, strategies and tactics that are bought to bear on policy issues by classes, groups and individuals.

This component of analysis is central to an understanding of the mechanics of the policy process itself and is an important element of comparative policy analysis. Without an investigation of this behavioural strand the similarities and differences between political systems remain largely inexplicable, being, as they would be, hidden within a policy 'black box' where inputs and outputs are known but not how the one becomes the other. Given this centrality for the comparative policy process it is not surprising that so much work has been undertaken in this field.

Clearly, this line of analysis is closely tied in with the *activities* that give rise to policy outputs. Policy is the result of the inter-relationships of a range of participants, operating within structured contexts. What these inter-relationships comprise of, and how they relate to different contexts are, again, important dimensions of the policy process. Similarities and differences in the patterns of activity that give rise to policies between, and within, states have important implications for the range of options that will be considered by policy actors and how these will be presented and acted upon and are thus central to an understanding of comparative policy.

These areas of concern can only be investigated through the application of *theory*. The theory that is used must be appropriate to the subject that is being analysed: thus a concern with input-output efficiency may be suited to analyses based on economic theory, while a concern with group involvement in the creation of policy may be more suited to analysis on the basis of pluralist theory.[8] Theory is a necessary under-pinning for any form of analysis that is undertaken and is the determinant of the *methodologies* that are appropriate for the practice of comparison.

These methodologies can incorporate a host of possible forms of analysis, from the quantitative to the qualitative. Each, however, is tied in to the particular theo-

retical perspective that is being adopted, and makes sense only in so far as it is theoretically-informed. A quantitative analysis based on the assumptions of pluralism, for example, is a very different form of analysis to a quantitative one that is based on the assumptions of marxism.

Different methodologies have their own strengths and weaknesses and a knowledge of these is important if analysis is to say anything useful about cultural policy (see, for example, Schuster, 1987; Hansen, 1995 on economic analysis, and Marsh and Stoker, 1995, on political analysis). The choice and use of particular methodologies cannot escape the limitations that are attached to them, implying that the use of different methodologies in conjunction with each other may be of greater benefit than simply relying on a single approach to analysis.

Policy Change

Cultural policy is not a static phenomenon. It is subject to a variety of forms of change affecting its content, its management and administration and the processes that are used within it. Understanding the 'why' and the 'how' of these changes is important for comparative cultural policy research, especially given the relatively low political weighting that this policy area commonly attracts. The extent to which cultural policy operates independently of other policy areas, and the extent to which it is dominated by other non-cultural policy pressures has important implications for assessing what is occurring within the field.

The process of change is of great concern in a number of countries at present given the drive towards the introduction of a more 'managerial' or 'privatised' approach to public policy (see, for example, Dressayre and Garbownik, 1995 on France, and Gray, 1995a, on the United Kingdom). The mechanisms by which change is introduced and the conflicts that it generates are both central to charting the trajectories that cultural policy is following: the role that is played by political, ideological, social and economic factors in affecting the direction that cultural policy is moving towards needs to be understood. Cultural policy does not operate in splendid isolation from broader pressures within society. The chains of causality and the consequences of change for the practice of cultural policy within and between nation-states is thus a key area for analysis.

Cultural Economics

A strong tradition within the study of cultural policy is to be found in the analysis of the economics of cultural policy (Baumol and Bowen, 1966; Blaug, 1976; Myerscough, 1988). This has been increasingly taking on board a comparative dimension (Ca'Zorzi, 1989; Hansen, 1995; Schuster, 1987, 1995a, 1995b), raising questions about different forms of state economic investment in the arts and the role that cultural policy can play in issues of economic development (Bassand, 1993; Bianchini, 1990; Bianchini and Parkinson, 1993; Griffiths, 1993).

As with any other form of public policy what is spent, how it is spent, and what effect such spending has on cultural policy are key issues. Changing patterns of

expenditure are informative about the directions that policy is taking and the impact that changing values and ideologies have on it (Hogwood, 1987, ps. 129–30). While there are problems with comparative expenditure data (Feist and Hutchison, 1990), studies of public expenditure on cultural policy are an important source of information about changing pre-occupations on the part of government and require development.

In particular, longitudinal studies of expenditure are a key resource for the analysis of policy change. Such change is rarely sudden, requiring a period of time for the effects to work through the system (Gray, 1995b). Analyses of change over time, therefore, are more informative than those that use a 'snapshot' approach that concentrates on a single year. Comparatively such studies would be a particularly fruitful line for future research to take in identifying the relationship of cultural policy with economic, political and social concerns.

Alongside such longitudinal research, studies of economic efficiency (the relationship between input and output resources) are also important. While many claims are made of the effectiveness and efficiency of different forms and methods of supporting (or not supporting) cultural policy through the public purse, the actual effects of financial choices for cultural policy are noticable more for their absence than their presence. Indeed Hansen (1995, p. 319) argues that many of the existing economic studies of cultural policy start from an 'incorrect basis' in the first place. Clearly further development of such studies through the development of more sophisticated methodological tools needs to be undertaken.

The Structures of Power

Cultural policy is managed, administered and controlled through a network of agencies which have some relationship to the formal structures of the state. In a comparative sense there is a world of difference between the relatively centralised form of state control of cultural policy in, for example, France and the more dissipated control of cultural policy that is exercised through private and charitable institutions in the United States, where the state has only a very limited role to play. How these networks operate, and the consequences of them for cultural policy, are clearly of importance for understanding both the content of cultural policies in different states and how the policy process operates.

While some information on the organisations of cultural policy in different countries exists (eg. Rouet and Dupin, 1991; Cummings and Katz, 1987; Fisher, 1990) there has been little investigation of the administrative context within which these operate. The processes and results of administrative organisation are central to any understanding of what occurs within differing nation-states, especially given the inescapably political nature of cultural policy.

Certainly much can be gained by appreciating the distribution of power that is contained within administrative organisations: the major elements of British cultural policy as it affects the arts, for example, is largely an elite preoccupation and this elite operates through mechanisms and structures (eg. the Arts Councils, the British Broadcasting Corporation) that reinforce the power that it holds through

its position at the centre of the system (Gray, 1995c). A comparison of this picture with other states would serve to clarify the similarities and differences that exist.

THE FUTURE FOR COMPARATIVE RESEARCH

Clearly a great deal needs to be done in developing comparative research into cultural policy. This article has identified a number of areas of potential future research that, in conjunction with the research agenda of Kawashima (1995), provides a rich terrain for study and analysis. Such analysis, however, needs to be both theoretically and methodologically sophisticated if it is to go beyond mere description.

The extension to Kawashima's argument that is presented here shows how much room for development there is. This is exemplified by the choice of topics and issues that were identified as being worthy of further study (Kawashima, 1995, ps. 298–303). These topics and issues were:

1) identification of issues;
2) scope of state involvement;
3) policy objectives;
4) policy measures;
5) policy efficiency;
6) policy effectiveness;
7) cross-national research.

While there is a clear overlap with the areas of research identified in this paper (content; process; change; economics; structures) the stress on theory and methodology that is made here extends the argument and points to further issues of central importance for the study of cultural policy. Given the relatively recent growth of interest in the comparative study of cultural policy it would be surprising if major advances were to be made rapidly. It is to be hoped, however, that a start to exploring the complexities of comparative cultural policy can be made on the basis of the proposals that have been put forward and that this Journal will show the results in coming years.

FOOTNOTES

1. Thanks are extended to Franco Bianchini, Oliver Bennett and two anonymous referees for their comments on this paper. All arguments, however, remain my responsibility.
2. These technical terms are explained in Gray, 1992, ps. 3–9 and are basically concerned with how national contexts, the role of policy, the underlying determinants of policy, the choice of theory in explanation and the understanding of the stages of the policy process are understood and conceptualised in the comparative enterprise.
3. Non-governmental actors are, of course, also important in the creation of a general cultural policy for a society. In the present context, however, the emphasis is placed on governmental actors alone. The arguments that are presented here are equally applicable to both governmental and non-governmental actors and would need to be incorporated into any study that was concerned with the boundaries between, and the roles that are adopted by, public and private actors.

4. My thanks to Oliver Bennett for this distinction between process and artefact.
5. See Zuckerman, 1991, for a general discussion of the application of theory.

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Also by Clive Gray

GOVERNMENT BEYOND THE CENTRE

The Politics of the Arts in Britain

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Clive Gray

Introduction: the Politics of the Arts

The arts have always been political. The forms that the politics associated with the arts have taken have varied over time and have affected different aspects of them. The intention of this book is to examine one part of these politics as it has affected the policy-making, organisation and management of the arts in Britain over the last 50 years.

To undertake such an analysis it is necessary to place the politics of the arts in context. This introductory chapter, therefore, discusses, in broad terms, some of the ways in which the arts *are* political and the recent changes affecting the arts that have taken place before summarising the contents of the chapters that follow.

Defining the arts

The legislation that created the National Foundation for the Arts and Humanities in the United States in 1965 provided a broad definition of the arts as including:

> music (instrumental and vocal), dance, drama, folk arts, creative writing, architecture and allied fields, painting, sculpture, photography, graphic and craft arts, industrial design, costume and fashion design, motion pictures, television, radio, tape and sound recording, the arts related to the presentation, performance, execution, and exhibition of such major art forms, and the study and application of the arts to human environments (Mulcahy, 1987, p. 312).

Such a wide-ranging definition might lead to the conclusion that it is actually easier to define what the arts *are not*, given that it covers such a range of activities. However, it is clear that the arts are concerned with human creativity in a variety of forms and media. How these are then produced, financially supported, managed and presented is determined by a variety of factors operating within society. As such there is no objective means of deciding which art-forms deserve attention, respect or criticism within any given social collectivity: it depends upon what society deems to be important. Indeed, whether some of the forms of art defined above are seen and understood as art anyway is decided by the societal context within which they occur.

The result of this is that different societies accept different things as being 'art', and bring their own understandings and beliefs to this process. This subjective understanding of the arts has implications for how public, state, support, as opposed to the private support of the market-place, will be undertaken, and the justifications that are provided for doing so. While this runs the risk of collapsing into a relativistic morass, where every art-form in every society is equally praiseworthy or blameworthy, at a more anthropological level it is nothing more than a truism.

Truisms, however, can contain an element of usefulness within them. For that reason, if no other, the 'arts' in this book will be taken to refer to the fields of creative endeavour contained in the quote above. What is important in the context of this book, however, is not the precise content of the field itself but how this aspect of human activity is organised within society and, particularly, how and why the British state makes distinctions between art-forms in terms of the support that is given and the interventions that it makes in this area of policy. As such the focus that will be adopted will be to view the arts as an arena of public policy where political decisions and choices are the dominant form of activity. This requires some consideration of the role of politics in the arts, and it is to this that attention now turns.

Politics and the arts

It is possible to discuss the politics of the arts in many different ways, from the content of different art-forms, to the implications of changes in artistic modes of expression, to the ways in which politicians have dealt with the arts and individual artists. Examples to illustrate these different approaches could include, respectively, Orwell's argument in *1984* about the perils of totalitarianism, or the cynical view of politics held by the Vicar of Bray; to the effect of modernism in changing the ways in which the world was understood and the impact of this on the political choices that became available to governments; to how art and artists have been censored and manipulated by governments around the world, or why the French government has always spent far more on the arts than British governments ever have.

Each of these approaches has its own grasp of what politics is and how it relates to the arts. The extent to which they are informative depends upon, firstly, the objectives of the author in using politics to understand the arts, and vice-versa; secondly, the skill of the author in using them; and, thirdly, the extent to which the conception of politics that is applied makes sense of the subject-matter.

Politics itself is a multi-dimensional discipline, ranging from the abstractions of political philosophy to the concrete concerns of behavioural politics (for a somewhat dated but still helpful introduction to the range of approaches to politics as a discipline see Mackenzie, 1967; for behavioural politics in particular see Marsh and Stoker, 1995). There are a huge number of possible ways of relating the multifarious approaches of the arts to the multi-dimensional approaches of politics. Which combination is to be used in considering the relationship between the two subjects depends upon what forms the focus of attention for the analyst.

In the current case the fact that the arts in Britain have increasingly become a matter of political debate has served as the starting-point. The size of the budget that is given to the Arts Councils in England, Scotland, Wales and Northern Ireland has always been a matter for concern for practitioners of the arts: recent cuts in this budget have increased the calls for either an

increase in funding, or for the abolition of the Arts Councils altogether (Pick, 1991; Taylor, 1995a). The creation of a British Ministry of Culture in the shape of the Department of National Heritage (DNH) in 1992 (later being transformed into the Department of Culture, Media and Sport (DCMS) in 1997) has raised questions about the political significance of this act of organisational restructuring for the arts (Ravenscroft, 1994), as well as raising questions about whether 'culture' in Britain is a backward-looking, heritage-industry curio preserved in the aspic of the past or whether it is a living necessity for a 'good' society. The explosion of concern about the drive towards a more market-friendly approach for arts organisations (Lewis, 1990; McGuigan, 1996) has intensified, raising doubts about whether the arts exist for the benefit of the public, the benefit of the artist, or the benefit of the Treasury.

All of these examples, and many others, have served to place the relationship of the arts and politics firmly in the fields of public policy, administration and management. The central concern of the above examples is with how the arts are organised and managed, and how they should operate both now and in the future. The aesthetic politics involved with the actual production and the content of different art-forms is seen, in this context, as being largely peripheral to the broader questions and issues that are involved in treating the arts as just another area of public policy, administration and management (see Taylor, 1995b).

While other approaches to politics and the arts are largely concerned with the specific contents of various art-forms, and how these convey political meanings, a concentration on the arts as an area of public policy changes the focus of debate: the mundane, day-to-day, activities of organising, managing and funding the arts become the primary objects of analysis. Such an approach to the politics of the arts has only rarely been undertaken before (for example, Hutchison, 1982; Quinn, 1998). The insights of critics concerned with the political content of artistic forms (for example, Paulin, 1986 on poetry) abstracts this content from the organised context within which it operates, and thus can miss the importance of this context.

Cultural economics has for a long time touched on issues of public policy, particularly in relationship to questions of public

subsidy for the arts (Baumol and Bowen, 1966) and the economic value of the arts for society (Myerscough, 1988). However, the methodology employed in such analyses is severely limited for making sense of the political issues that underpin discussions of public policy itself (Ridley, 1983). One consequence of this is that cultural economics has become increasingly concerned with purely economic considerations rather than with the political and social implications that are intimately tied up with such considerations (Hansen, 1995). Moving beyond the economic to also consider the political thus becomes of increasing importance if discussions of the arts are to move away from an economic blind-alley.

The bureaucratisation of modern life has affected the arts through the creation and continuation of a variety of organisational and behavioural forms of activity that shape the world within which the arts are created and produced. By investigating the politics of this bureaucratic nexus of structure and process the impact of politics on the arts as a system of activity can be understood more convincingly than would be possible by simply looking at the content of the arts themselves or by examining the economic principles that underlie state subsidy (or, alternatively, investment), or its absence, in the arts (for a clear discussion of these issues see O'Hagan, 1998).

For this reason, if no other, an analysis of the politics of the arts that concentrates on issues of public policy and management is important. To understand how the arts are affected by the decisions that are, and are not, made by governments has important implications for the arts as well as for governments.

Selling the arts

The world of bureaucracy that the arts are located within is not static: changing conceptions about the role of the arts and the relationship of governments with them are continually present. The recent past in Britain has seen this process of change reach new levels with the pattern of reformulation and restructuring that the Conservative governments since 1979 have introduced which has affected every part of the public sector, with the arts being no exception to this.

The main aim of this book is to investigate how this process of change has affected the arts in Britain. Rather than simply describing the changes that have taken place in the role of the public sector in dealing with the arts, it is argued that a fundamental change in the relationship of governments and the arts is in the process of taking place. This change has implications for the future of the arts in Britain that extend far beyond both the surface reorganisations that the bureaucratic systems for managing the arts have undergone to date, and the remaking of systems of financial support for the arts that are still taking place.

The major process of change that is taking place is argued to be based upon ideas about the 'proper' way in which areas of public policy should be managed. The key idea underlying this argument is that of *commodification*. Briefly, this idea is concerned with the replacement of use-value by exchange-value: the arts being considered not as objects of use (for example, providing pleasure for individuals or groups or for provoking thought) but as commodities that can be judged by the same economic criteria that can be applied to cars, clothes or any other consumer good. Essentially issues of aesthetic or personal worth and value are replaced by those of the material and impersonal market-place.

The changed conceptions of the value status of the arts that this process of commodification entails are argued to be given concrete form by the political choices, decisions and actions of organisational members in both the public and the private sectors. These political activities take place along a number of dimensions – organisational, financial, managerial and ideological – each of which have their own role to play in altering the processes and structures through which the arts are administered and managed, policy choices are given concrete expression, and policy decisions are made.

The commodification of the arts is argued to be proving to be a long-drawn-out process because of the scale of the changes that need to be undertaken to see it take effect. The process itself is by no means complete and whether it ever will be is subject to the same exigencies that affect all other areas of public policy. A change of government, as after the 1997 general election for example, would certainly have an impact upon the speed of commodification and may also affect the direction of

change: leading to a failure of the commodifying project at one extreme, or a reworking of it into more politically acceptable forms for a new incumbent Party in positions of power, or, at the other extreme, to a reinforcement of the tendencies towards commodification that are already in place.

The commodification of the arts has important consequences not only for the relationship of governments with the arts but also for the arts themselves. By treating the arts in just the same way as any other consumer good the publicly supported world of the arts needs to change to fit in with this new conception. The implications of this for artistic production and provision are profound and need to be understood in the light of the multiple pressures that make up the commodifying project.

The structure of the book

To follow through the argument outlined briefly above this book is divided into three parts.

The first part consists of a full discussion of the concept of commodification and places it in the context of broad trends within the British public sector over the last 20 years. The implications of commodification for public policy are considered, and its relevance for understanding the changes that have been taking place in the arts is spelt out.

The second part provides a contextualisation of the politics of the arts. This part consists of three chapters. Firstly, the dominant pattern of managing the arts in the public sector is identified, and the key approaches to, and ideas underlying, the British system in the period from 1945 to 1979 are discussed. Secondly, the range of organisations that have responsibility for the public management of the arts are discussed. The formal powers and the interrelationships of these organisations, both with each other and with other elements of the public sector are considered. Thirdly, the dominant actors in the politics of the arts are examined. Emphasis is placed here on the essentially oligarchical nature of the system that has been created at the national level and the more pluralistic systems that exist at more localised levels.

The third part investigates the processes of commodification as they have taken shape at different levels within the political

system. This part consists of four chapters. Firstly, the changing nature of central involvement with the arts is considered. Particular emphasis is placed on the roles of the Arts Councils and the various homes for the arts in central government since 1979. Secondly, the growing importance of the regional level of state involvement with the arts is considered, particularly in relation to the Regional Arts Boards (RABs) that replaced the Regional Arts Associations (RAAs) in the wake of the Wilding Report (1989). Thirdly, the role of local organisations, and, in particular, local authorities, in providing and supporting the arts is discussed. The development of cultural planning in economic regeneration strategies is given especial attention in this discussion. Fourthly, the potential impact of European, transnational, organisations on the arts is considered. The European Union, the Council of Europe and an increasing number of other organisations (for example, Circle) are all involved in affecting the development and direction of European arts policies and could possibly become increasingly important over time. Whether this *will* be the case, and how these organisations affect the national concerns of British governments is an important issue to consider, not least in the light of the divisions over the British place in Europe that run like fault-lines throughout British politics.

Finally, a concluding chapter summarises the argument that has been presented to illustrate how the politics of the arts in Britain has been transformed over the last 20 years as a consequence of changes at the local, regional, national and European levels. The implications of these changes for the future pattern of arts policy in Britain are discussed.

Conclusion

The politics of the arts have changed greatly over the last 20 years. From being a little considered and largely unimportant consideration of governments the arts have become increasingly important as an area of public policy. This new importance is tied up not only with fairly traditional concerns of governments – such as public expenditure – but also with how the arts are to be organised and managed.

This book provides an analysis of the changing nature of the

politics of the arts that provides a contextualisation of the specific issues concerning the arts in the light of the larger-scale political and economic changes that have been taking place elsewhere within the British system of government. The implications for the arts that arise from the restructuring of the relationship between governments and the arts have important lessons not only for British society but also for British politics and the arts in Britain themselves.

1
The Commodification of the Arts

Introduction

Since 1976 there has been a continual process of change taking place in the British system of government and administration. The social-democratic hegemony created by the first postwar Labour government has effectively been ended, although doubts remain as to what has actually taken its place – if anything has. In some ways this is perhaps not surprising. The creation of the postwar, Labour-inspired, consensus did not occur overnight but could be traced back over a period of forty years to the policies of the Liberal governments that preceded the First World War. To expect an accepted system of governance to be totally transformed in the space of only twenty years is perhaps optimistic.

The period since 1976 has, of course, seen many important changes take place in British government. These changes have been, however, in the nature of tactical ones. Underlying them it is possible to argue that there *has* been a strategic vision, usually associated with the term 'Thatcherism'. What this shorthand term actually involved, the extent to which it was a single unified approach or whether it was a catch-all phrase to bring together a number of distinctly different tactical manoeuvres, and whether it has survived the downfall of its eponymous leader are all open to debate (Gamble, 1988; Jessop *et al.*, 1988; King, 1987; Marsh, 1995).

The more heroic views of Thatcherism see it as both an ideological force defending the role of the individual against an

over-powerful state and as a practical rolling back of the power of the state and the freeing of the market from the 'dead hand' of public control. This tends to lead to a Whiggish interpretation of recent political history where all things have led inexorably to the creation of a new relationship between the state and the individuals that comprise it, with this creation being the direct consequence of an overarching Thatcherite programme.

A more jaundiced interpretation would be that Thatcherism is a term of more limited relevance and that there have actually been much larger and more complicated changes taking place within British society than the supporters of the Thatcherite phenomenon either realise or understand. The larger picture contained in this view seeks to understand the tactical movements that have been taking place in the context of a broader understanding about the relationship between social, economic and political change.

This chapter argues that the latter view is a more useful one to adopt in analysing the multifarious changes in the relationship of the state and society that have taken place since the mid-1970s. In place of 'Thatcherism' as an identifying label for what has been taking place it is argued that 'commodification' is a more appropriate descriptive term. The former term is argued to be more applicable to the tactical changes that have taken place while the latter term is more appropriate for understanding the broader strategic changes in the role of the state that have occurred. To justify this argument commodification must be explained and a preliminary discussion of its relevance for understanding the politics of the arts must take place. Once this has occurred the concept of commodification can then be applied to an analysis of the development and changing nature of the role of the state for the arts in Britain.

The changing public sector

The many changes that have taken place in British government since 1976 have affected the practice of public administration and management in many different ways. Of key importance, however, to all of these changes has been the shift in the relationship between the providers of public services and those who

receive them (Gyford, 1991, ch. 2). This shift has been tied up with changed assumptions about the meaning of citizenship that differ considerably from those of the postwar social democratic and social welfare consensus.

The new version of citizenship that has become apparent has seen a move away from a form of citizenship that was predicated on democratic principles towards one that is derived from the values of the economic market-place. This movement has seen a shift away from treating the individual members of society as citizens within a political system to a position where they are treated as individual consumers of economic goods and services that are subject to the 'laws' of the market.

At one level the changes that are associated with such a shift in the conception of citizenship have become apparent in the ways in which public sector services are meant to respond to the members of society. This can be seen in the increasing emphasis that has been placed on the three Es of economy, efficiency and effectiveness – and in how they are defined – in public sector management, and in how they are translated into practical tools of managerial control. The precise impact of such tools depends very much upon which policy area is examined as different mechanisms for redefining the relationship of the citizen and the state in the light of the new economic rationality have been introduced into different areas for different reasons. The introduction of the various 'Citizen's Charters' (Chandler, 1996) into, for example, the National Health Service (NHS) and the railways are meant to guarantee that certain standards of performance are met with regard to, amongst other things, waiting times and service delivery. The publication of 'performance tables', such as for exam performance and truancy rates in schools, are meant to provide fuller information for 'consumers' to enable them to make informed choices concerning public service delivery.

Examples such as these, and the many others that have been introduced into the public sector, are modelled upon a conception of the private-sector economic market-place that is assumed to be more efficient, effective and economic than traditional models of public sector management were believed to be. The assumptions upon which such an argument rests are closely related to the idea that economic values are the most appropriate ones

upon which decisions about services should be based. Economic rationality of this sort necessitated a change in the dominant patterns of service organisation and structure that had underlain the postwar consensus to enable the advantages of the market-place to receive their fullest expression.

The introduction of a medical quasi-market in the NHS, for example, required a split within the NHS between the 'purchasers' and 'providers' of medical services that was intended to mimic the division in the market-place between demanders and suppliers, leading to an economically superior allocation and distribution for resources for society as a whole. Likewise the introduction of Compulsory Competitive Tendering (CCT) into the NHS and local government was intended to produce a more clearly defined relationship between service delivery and service cost by, once again, dividing organisations between purchasers and providers (or demanders and suppliers, or buyers and sellers).

Perhaps the most obvious expression of the desire to change the public sector into something that more closely resembled the private sector market-place came with the privatisation programme undertaken by the Conservative governments after 1980. With privatisation the commonly held view is that it meant that industries and organisations that had been subject to state control were returned to the private sector to succeed or fail as economic enterprises. Public-sector control was seen as leading to economic inefficiency within these industries and organisations, and to the creation of a safety-net provided by the state that ensured that economic efficiency and effectiveness could never be fully achieved.

In this view the state not only interfered with the workings of the market-place but also guaranteed a misuse of economic resources. The only guarantee of economic efficiency and effectiveness was to be found in the free operation of the market-place where survival depended upon these qualities rather than upon the protection of political actors who had other fish to fry on the basis of political rather than economic factors.

The increasing emphasis that was placed upon the importance of the market-place could be seen to be simply a continuation of the traditional division in British politics between the left and the right, with the former supporting an active role for the

state in economic management and the latter preferring to leave this largely in the hands of the market-place itself. Such a view, however, would be a simplification of the deeper meaning that can be attached to precisely what the 'rediscovery' of the market after 1976 actually meant.

The changes to the pattern of public sector management that have taken place are of greater significance than a simple shift in emphasis as to the role of the market. Alongside this shift there has been the reappraisal of the relationship of the state to the citizen as well. Between them these changes in conception have led to the establishment of a significant restructuring of the political economy of public policy. This restructuring can be summarised as forming part of a process of commodification.

The commodification process

Commodification consists of two associated changes in the structure of public policy: firstly, a shift from the use of political values to those of economics as a rationale for policy choices; and, secondly, a shift from a concern with use-values to exchange-values in evaluating the validity of policy choices. A consequence of commodification is that the products of public policy become indistinguishable from the products of the private market-place, and become subject to new forms of assessment as to their worth and validity. In particular, areas of public policy become intimately associated with market mechanisms of demand, supply and pricing to such an extent that other methods of considering and evaluating potential policy choices become not so much overshadowed as obscured, if not abandoned.

Alongside this argument that commodification changes the balance of factors that are considered to be important in the structure of public policies is a second one, that this shift in focus in terms of policy is associated with broader socio-economic changes. The move from a political rationality to an economic one as the basic motor to policy choice has not occurred without some intervening causal mechanism or mechanisms being in place. In the case of commodification the causal variables are to be found in the changing structures and processes of the capitalist mode of production relating to capital accumulation. Given

that the changing nature of capitalism is given priority as an explanatory mechanism for understanding the commodification of public policy it is necessary to begin with a discussion and explanation of what is involved in this process.

Capitalism is constructed from both economic and social relationships. These relationships combine together to produce distinct forms of capitalist production that vary both historically and geographically. As such there is no *single* entity known as capitalism but, instead, a variety of *forms* of capitalisms in operation at any given time. The variability of capitalism as a collection of systems of production, reproduction, accumulation and consumption should be no surprise given that it did not spring, fully formed, like Venus, from nothing. Instead, capitalism has developed in the context of what preceded it and, as these preconditioning circumstances varied so did capitalism itself.

A consequence of this is that local and national versions of capitalism developed sequentially over time, with specific characteristics – related to the particular circumstances of the creation of these capitalisms – becoming evident in each local and national arena. These characteristics affect both the overtly economic structures and processes of capitalism, and the social structures and processes that developed alongside them. The social and economic dimensions of capitalism are co-dependent, with neither having priority, but with each being essential for the development of the other.

Capitalism, as an economic system, is located within the context of a particular social structure of accumulation: 'the set of laws, institutions and social customs that provides the institutional environment for accumulation' (Bowles and Edwards, 1985, p. 94). This is similar to the concept of the 'regime of accumulation' that is present in regulation theory (Aglietta, 1979, pp. 68–72) insofar as both are concerned with the relationship of the economic and the social in the development of capitalist economies.

Both the economic and social dimensions of capitalism are dynamic variables: change is an endemic part of both. The economic pressures involved in maintaining the accumulation of capital create possibilities for economic exploitation by capitalist entrepreneurs. These possibilities are constrained and, on occasion,

created by social and political pressures that operate in conjunction with the changing nature of capital accumulation. Indeed, the continued existence of capitalism as an economic process is dependent not only upon the success of the process in generating accumulative possibilities, but also upon the social and political processes of society creating appropriate forms of management and control to allow accumulation to continue.

In effect capitalism's survival depends upon the existence of both an economic form of regulation that allows the continued existence of profit-making accumulation processes, and a social form of regulation that allows these processes to operate in such a manner that they are socially and politically effective, generating an acceptance within society of the appropriateness, if not necessity, of accumulation as a basis for production. Provided that both of these conditions are met then a form of stability is created. Such stability will continue until such time as a 'crisis' is generated, either as a result of the failure of the processes of accumulation, or as a consequence of the failure of the social structures of accumulation to provide an appropriate response to the demands of accumulation.

In either case, stability within capitalist systems is not inevitable. Instead, it is the result of a complicated process of negotiation and renegotiation between the two dimensions of the capitalist system, the economic and the social, mediated by the political system itself. Periods of crisis create a new set of problems and issues for this process that must be adapted to if capitalism is to survive. The ways in which crisis is responded to is not a given: there is no automatic process through which a change in one dimension is automatically responded to by a compensating change in the other.

Resolving the economic and/or social problems of capitalism requires what is effectively a process of trial and error. The search for new ways to take advantage of changing possibilities for accumulation, and the search for new forms of, for example, management structures and processes involves a great deal of time, energy and commitment. Even so there is no guarantee that what is decided upon will automatically work. Instead a groping in the dark takes place until such time as there reappears an appropriate match between the requirements of capital

accumulation and those of the social and political structures and processes within which this takes place. At this point a new stability is created that will be effective until such time as new crises enter the system.

The uncertainties that are present within the process of responding to changing conditions means that conflict will be generated. This conflict is generated by the different requirements of the economic and social regimes that constitute society. As a consequence of these different requirements a succession of sites of conflict will be created. These sites will affect relationships between the public and private sectors of the economy, as well as relationships within each of these spheres of activity. This conflict will last until a new match of structures and processes takes place. As there is no blueprint of what this new match will be it is likely that there will be a long period of turmoil before a settlement will be reached.

The form of this new settlement will require changes in both the social and economic structures of accumulation, necessitating the creation of new structures and processes in both spheres, with such changes encompassing a range from structural transformation to 'conjunctural' reforms (Hay, 1999, p. 329) at the margins of the system. To this extent the process of commodification needs to be understood as the development of a new approach to changing social, political and economic environments, with commodification itself being a solution to the range of problems and issues that have arisen as a result of deep-rooted problems within the capitalist system.

Commodification as a response to these macro-problems operates at the meso-level. It is essentially a tactical set of responses to the strategic problems that have been generated by the failure of the pre-existing system to continue to guarantee stability. As such it incorporates a range of responses to specific problems that have arisen. In particular, it operates along four dimensions of change: organisational and managerial, financial and ideological (Gray, 1995, p. 310).

Organisational change refers to two sets of associated changes. Firstly, changes in the institutions that manage social activity, and, secondly, changes in the operational practices that are utilised within these institutions. Financial change affects the mechanisms

and sources of funding that are utilised by institutions in the pursuit of their activities. Ideological change affects the culture and climate within which policy is made through the establishment of new patterns of acceptability for policy choice and organisational practice.

This final dimension of change – the ideological – is what was earlier identified as the key characteristic of the commodification process as it affects public policy, involving changes in the values that underpin the system. This change, however, cannot occur in isolation from the other forms of change identified here (nor, indeed, from the wider changes in the socio-economic system that have led to the need for change at the meso-level). The pressures to find a new accommodation between the social and economic structures of accumulation require a greater degree of restructuring than can simply be found at the ideological level. Ideological change cannot become effective if the other dimensions of the system remain untouched and thus, as a practical response to the pressures for change, commodification requires a large amount of change elsewhere for ideological change to take root and become significant.

Commodification, then, is a multi-dimensional phenomenon. As such it will be the result of different forms of change that occur in different areas of public and private life for different reasons. The response to the commodification process that is generated will equally differ, depending upon what and who is being examined. An appropriate set of responses to the pressure for change in one area of the social structures of accumulation will not necessarily be seen as appropriate in another area. Likewise, changes in the economic structures of accumulation may well generate different responses in the same area of the social structures of accumulation depending upon who is affected by these changes (for example, managers or workers).

The process of change that actually takes place as a result of commodification will be an extremely complex one. Changes in one area will have ramifications for other areas, some of which may be positive, others negative, and still others being neutral in their impact and significance. In total, however, it must be expected that commodification will give rise to a major reorientation of approach across both the structures that underpin the

operation of the capitalist system and the processes that are utilised within these structures.

The specific significance of commodification for public policy was outlined above as being concerned with the ideological changes that affect the evaluation of policy choices, and the shift in value systems from political values to economic ones as the basis of policy choices. The idea that public policy can be assessed in the same way, and on the same basis, as policies based on the criteria of the private market-place has major implications for what policies will be offered to the public, how these policies will be managed, and what the consequences of policy will be. It is to these considerations that discussion now turns.

Commodification and the structure of public policy

The identifying characteristic of commodification is that political values become subsumed by economic ones as the basis for the making of policy. Such a change in approach to public policy marks a major break with the pattern of the postwar consensus where, in general terms, the reverse was often the order of the day, even if the economic was never totally excluded. This change also marks a major reappraisal of the relationship of the state with the citizen: the citizen, as a consequence of commodification, no longer being viewed as a member of a democratic collectivity but, rather, as a 'consumer' in the economic market-place.

These changes necessitate a reformulation not only of public policy itself, but also of how public policy is organised, managed and administered. If the former is comprehended under the general heading of ideological change, the latter is best understood under the headings of organisational, managerial and financial change, even though, in practice, the divisions between them are by no means so clear-cut.

The reasons for making changes in these dimensions of activity to enable commodification to become effective are reasonably obvious but require some spelling out to illustrate their significance in general terms before applying it to arts policy in particular.

Ideological change is of crucial importance if the replacement of use-values by exchange-values is to take place. Such a change requires a reappraisal of what the point of public policy actually

is – why is it being undertaken? Public policy also needs to be reappraised in terms of how it is to be undertaken – what might be an appropriate strategy to follow if use-values are deemed to be the most important values to pursue is unlikely to be as appropriate if these are replaced by exchange-values.

The change in value-systems that is involved here goes to the heart of what a public, as opposed to a private, policy actually is. Public policies are normally associated with the benefits that can be obtained as a direct consequence of the provision of these policies – what can be obtained by making *use* of the products of policy. Private policies, on the other hand, are more normally associated with the mechanisms that are utilised in the provision of goods and services – the processes of *exchange* are central.

In practice there is an overlap between these two types of policy. Public policies require exchange-values to be utilised in the actual provision of the goods and services that are involved, and private policies use exchange-values as a means to liberate use-values for the buyers and sellers of the goods and services that are involved. The difference between them, however, is determined by the predominance that is attached to either form of value in the processes of production and distribution. In the case of private policies exchange-value is central, not least as this is the mechanism that generates the possibility of capital accumulation. For public policies, on the other hand, it is the end-product, the actual practical benefit that can be obtained from the provision of goods and services, that is central.

The organisation of the state sector as a means of providing use-values for the members of society necessarily differs from that of the private sector as a result of the differing relationships with value-forms that the two sectors have. The classic concerns of the private sector with cost, demand, supply and pricing are not as important for the public sector (although still of some significance) which has other concerns. These other concerns may well include such issues as equity, justice and democracy, amongst many others, but at the very least they provide an alternative calculus for policy-makers than is present in the private sector.

The differences that exist between the concerns of the public and the private sectors have been well recognised for many years.

Indeed, the arguments of the new right about the provision of public goods and services is predicated upon the assumption that different rationales exist between the two sectors. The new right argues that the only 'true' democracy is to be found in the market-place, where individual consumers are free to operate in terms of their own interests, and where the operations of the market-place ensure that these interests are met. By failing to operate according to the logic of the private sector the new right argues that the provision of goods and services by the public sector leads to an avoidable misuse of resources, the over-provision of goods and services, and the skewing of production in favour of vested interests that are held by elected politicians, appointed officials and well-organised pressure (or interest) groups (Niskanen, 1971; Pirie, 1988).

The failures of the public sector that are identified in this analysis arise, primarily, from the fact that the concerns of the public sector (such as equity and justice) are incapable of being dealt with by market mechanisms. While these concerns may have a use-value (in, for example, assisting in the creation of a civilised society) they cannot be assigned a straightforward exchange-value (as, for example, in assessing how much justice is 'worth' in terms of democracy or equity, let alone pairs of shoes or loaves of bread). The intangible nature of these public concerns makes market mechanisms inappropriate as a means for the production and distribution of goods and services if the underlying use-values are assigned greater priority than are exchange-values.

The new right's attachment to the superiority of the private market-place means that the public sector's methods of arranging production and distribution are inevitably going to appear inadequate. A consequence of this for the new right is that the utilisation of exchange-values rather than use-values is always going to be preferred as the means of fulfilling the desires of individuals.

The inherent individualism of this view is, of course, markedly different from the view that is implicit in the public sector conception that the social collectivity is of key importance, and it is here that the reconception of the relationship of the citizen with the state becomes important. The traditional view of the citizen in terms of the state is tied up with notions of democratic rights and obligations that are, strictly speaking, of almost total irrelevance to the new right view of the citizen as an individual economic actor. As far as the latter is concerned the market-place is the only mechanism that can guarantee the fulfilment of a citizen's interests. For the former, these interests extend beyond the boundaries of the market-place to a larger arena of social interests.

The difference here is best illustrated by reference to the concept of public or collective goods. These are usually seen as goods that are effectively indivisible – their enjoyment is only available in a collective sense rather than being limited to any one person. Such goods are not amenable to the operations of the private market-place as they have no *individual* use or exchange-values, only collective ones – for example, pollution control provides a benefit for all members of society not just for certain individuals. As such they require a collective response to their provision and use. A consequence of this is that citizens as a collectivity are the only actors who are capable of making decisions about these goods: citizens as individuals are unable to make decisions about collective goods that would be effective or appropriate. This means that the private market-place is not seen as being the right means for managing collective goods.

Extending this viewpoint to the relationship of the citizen and the state it can be argued that the economically orientated values that are associated with the view of the citizen as a consumer require a different attitude to be adopted to the role of the citizen than would be the case if politically orientated values were being used. Consequently the activities of the state would need to be reassessed if there were a change from political to economic values, both in terms of *what* the state should actually be providing, and in terms of *how* these things should be provided.

As commodification is concerned with the shift of policy rationales from use-values to exchange-values it should therefore be expected that not only will the content of public policies be affected, but so also will the approach to managing and administering public policies. The fullest expression of such a change would be for public policies to be hived off into the private sector where the forces of the market-place could then be given free rein. Failing this withdrawal of state involvement in policy

matters an alternative would be for state organisations to at least mimic the operations of the market so as to reap the benefits that would accrue from a fuller acceptance of the primacy of exchange-values in the policy process than was currently the case.

It is at this level that the financial and organisational changes that are associated with commodification become important. Both of these dimensions of the management and administration of public policies would need to be changed to provide the right context for commodification to become effective. Traditional patterns of management and administration that had developed while use-values were of greatest importance in the public sector are likely to be inappropriate in new circumstances. For this reason, if no other, an overhaul of managerial and administrative practices would be necessary to fit in with new priorities. Likewise, a financial system predicated upon the importance of political values over economic ones would clearly be inadequate for a situation where the reverse was the case.

At the very least, financial systems would need to change the basis upon which decisions were being made to bring these systems into a closer congruence with the private market-place. Ideas of public policy being created by the interplay of buyers and sellers, unfettered by political considerations, would require a new attitude towards public finance to be displayed. As a consequence of this the organisational structures and processes that went with a political value-system would also require change. Lastly, and to complete the circle, the ideologies and organisational cultures that had been created under the old regime would need to change as well if commodification were to work.

Commodification, then, has important implications for the context within which public policies are made. The shift from use-values to exchange-values has far-reaching effects upon the policy process in terms of its structure and its relationship with the citizen. More than this, however, it is possible to extend this argument to illustrate how the specific content of public policies themselves is affected as a consequence of the commodification process, and it is to this that attention now turns.

Commodification and the content of public policy

The movement towards a commodified system of public policy requires that not only does the context within which such policy is made need to change but so, also, does the specific content of it. The need for this is generated by the structural changes that commodification brings in tow and requires that the focus and direction of policy be changed to fit in with the new requirements of the policy process.

As a minimum requirement the new systems that commodification generates require a change in focus in terms of the beneficiaries of policy. By emphasising exchange over use-values there is a concentration on the individual consumer at the expense of the greater social collectivity. Instead of policy being aimed at a broad, and perhaps amorphous, collection of people it now needs to be aimed more explicitly at the individual 'consumer'. The tailoring of programmes for the delivery of public goods and services therefore needs to be adjusted to deal with particular individual demands, desires and interests.

A consequence of this is that public organisations, again, need to be restructured to allow this to happen. Generalised bureaucratic systems of organisation, management and administration which are appropriate for dealing with collective cases are not necessarily going to be so when dealing with individual cases – especially if such cases differ from the norm. This implies, in turn, that public policies will need to become more *selective* in terms of their intended audiences, and more *directed* in terms of their intended impact. Such changes cannot be catered for simply by reorganising bureaucratic procedures: the very nature of public policies themselves must change.

In a similar vein the conjunction of public policy and public finance requires adaptation. If the large-scale, collective, provision of goods and services is to be replaced by a more sensitive and individually based approach to policy content then the meeting of policy and finance needs to follow this lead. The new right view of public financing is once again relevant here. For the new right, public finance consists of large-scale allocations of resources being spent on small-scale cases, with the latter having to fit in with the former. By preference this order should be

reversed, with individual cases being aggregated to form a grand total. To prevent this leading to an explosion in public expenditure, restrictions on public finance need to be in place, and there needs to be a greater emphasis on the use of alternative financial sources as a means of paying for public policy.

The result of this is that public policy needs to be more closely entwined with the question of the mechanisms that are to be used to pay for it. At the very least a clear distinction between the 'buyers' of public policies and the 'sellers' of them needs to be introduced into the content of policy itself. A clear delineation of the roles of the various actors in the policy process must be spelt out to ensure that policy provision is effective in achieving its ends of utilising the benefits that are assumed to accrue from placing exchange-values at the centre of the process.

At the very least this implies that public policies need to be far more detailed in their content than was the case when use-values were dominant within the system. This is largely because of the assumption that 'consumers' require more detailed information about the transaction costs of their activities than is necessary for the democratic citizen. Without this information the 'consumer' is assumed to be unable to make informed choices and decisions: thus, policies need to contain this information to allow an economically rational decision to be made.

As a consequence, then, of commodification public policies need to become more selective, directed and informative in their content. To achieve these aims organisations with a responsibility for public policies must be transformed. Traditional bureaucratic mechanisms are no longer appropriate in the new system that is driven by exchange-values as they are perceived to be inadequate for attaining any of these requirements. This is particularly the case with the operational ideologies and cultures that developed under previous conditions. The organisations that are required to manage and administer the new forms of policy must themselves become new mechanisms for delivery.

This view of both the failings of existing policies, the way in which 'consumers' behave and how organisations with a responsibility for public policies operate, depends upon an acceptance of the dominant new-right thinking that lies behind the replacement of use-values by exchange-values. This line of reasoning

extends beyond the content of policy to the processes of policy-making themselves, particularly as many of the failings of existing policies are seen to arise from the manner in which they have been made.

Commodification and the policy process

Public policies are generally accepted to be made through some form of political process that incorporates the activities of a disparate number of groups that each have their own agendas of action (Gray, 1994, p. 94; Parsons, 1995). In summary form the policy process is usually described either in terms of the political mechanisms that are employed by the groups that are involved (for example, pluralism, elitism), or in terms of the rationality of the decision-making process (for example, rationalism, incrementalism). These differences can be combined in various ways to depict the overall patterns of activity that are involved in the policy process.

The movement towards a commodified policy process operates on both of these approaches to policy-making to redesign both how groups are incorporated into the system, and how the process of policy choice is actually undertaken. How this occurs has important implications for the results of the policy process.

In terms of group involvement, commodification acts to restructure the integration of groups, and to affect what is seen as acceptable behaviour from them. The new-right critique of the democratic policy process argues that the activities of groups perverts policies by making them the hostages of special interests. Elected politicians, appointed officials and the members of pressure groups combine together to achieve their ends to the exclusion of the broader public of consumers. As a consequence, policies become geared towards the interests of only a small section of the potential public that will be affected by them, either directly (as, for example, the recipients of policy outputs) or indirectly (as, for example, the payers of taxes to fund the policies that are made).

It is, of course, this concatenation of interests that leads to the perceived misuse of resources that the new right detects in the political making and implementation of public policy. The

introduction of a policy process based on the requirements of the economic market-place is assumed to obviate this problem, leading to the creation of policies that benefit the entire collectivity, who have both direct and indirect interests, rather than the few who have a direct interest as their primary concern.

The policy process, as a result of commodification, must become more fragmented to remove the power that is held by the perceived vested interests of politicians, bureaucrats and active groups. By moving the focus of policy activity away from groups and towards individuals – a direct consequence of the move from use- to exchange-values – it is assumed that policies will become more appropriate for a wider range of policy consumers than is currently the case.

The individualisation of the policy process that is implicit in this view is certainly politically naive as it ignores the concentration of power resources that the various group-centred approaches to policy contain. As such it is improbable that the introduction of a full-blown market-like mechanism into the policy process will be attainable given the resistance to such a move that existing group forces could mobilise. However, the shift in focus of the process away from existing concentrations of power is an important step towards the conditions where the individual *is* made sovereign, which is a key element in commodification. The restructuring of the organisations, processes, financing and ideologies that form a part of commodification must be expected to have an effect on who is involved, and how they are involved, in the policy process.

The second element of the policy process mentioned above – the rationality of the process – is also expected to be affected by the move towards commodification. A part of this movement involves the replacement of political rationality by economic rationality as a basis for making decisions. Such a shift, if it were to occur, would clearly have an important impact on the overall structure of the public policies that would be produced.

Diesing (1962) has argued that economic and political rationalities are very different in nature, producing alternative conceptions of what should be provided and how it should be provided by the state. Such a view is hardly surprising given the obvious differences that exist between making decisions based upon economic criteria, such as cost and demand, and making decisions based on political criteria, such as democracy and equality. A shift from one to the other, however, again has important implications for how policy itself will be approached.

The classic models of the structure of the policy process (rationality and incrementalism) are both themselves derived from conceptions of how an economic actor makes decisions, either ideally or in the circumstances of limited information, resources or (even) ability. Given the connection of these, in the first instance, to an economic model of policy it might be expected that commodification would see a movement towards a more rational model of policy-making than is currently in force.

The limitations to rationality identified in the basic incremental model (Lindblom, 1959) derive from a more politically aware view of the realities of policy-making. However, it still retains the basic shape of economic rationality that underlies the rational model of policy-making itself. As such it must also be expected to change towards a more rational format as a result of commodification as a number of the limitations that it identifies become, at best, secondary considerations if economic criteria become dominant.

The overall results for the policy process arising from a movement towards commodification should be expected, then, to incorporate both a fragmentation of the policy process itself, and a greater emphasis being placed upon a rationalistic approach to policy choice. The consequences of this should be expected to include a reduction in the influence and power of previously dominant groups in the policy process; a fragmentation of the groups that are involved in this process; an increasing emphasis being placed on the economic rationality of policy choices; and the utilisation of a more limited set of criteria for the making of choices through the jettisoning of political factors.

The implications of commodification

The movement towards a commodified system of public policy clearly has a number of implications for public policy, affecting not only the structure and content of policies, as well as the policy process itself, but also affecting the organisations, processes,

financing and ideologies that are involved. The wide-ranging nature of the changes that are associated with commodification means that the public sector as a whole is liable to a significant restructuring as the process takes hold.

The extent of this restructuring can be ascertained by returning to the consideration of the changes that have taken place in the British public sector since the mid-1970s. The introduction of new mechanisms of control, such as the Citizen's Charters, the increasing role that is played by quasi-market divisions between 'purchasers' and 'providers' throughout the public sector, and the reappraisal of the overall role of the state in relation to its members, can all be associated with the logic of commodification.

The continuous process of change that has affected the British public sector has taken many forms, and has had many different results for public sector organisations. The emphasis on the role of the citizen as consumer and on the superiority of the private market-place over other mechanisms for the allocation of goods and services have underlain a wide-ranging restructuring of the state. Public sector organisations have had to reorganise themselves to fit in with the new conditions that they now have to face, and have become subject to different criteria for assessing their status as tools for the delivery of goods and services to the public.

The extent to which this process of change is actually the result of a conscious choice by governments is open to question. The question of the extent to which commodification is an explicit strategy that has been actively pursued by governments is an important one for assessing the implications of this process. It is possible that the move towards commodification is an automatic response to the problems that have confronted the British version of capitalism over the last 25 to 30 years. If such was the case then political actors become no more than some sort of organic cipher, incapable of making decisions of their own free will.

Pursuing this line of argument leads to a form of economic determinism that privileges the economic structures of society over all others. As argued above, however, the movement towards a commodified system is as much a result of trial and error on the behalf of political actors as they struggle to come to terms

with the changing demands of *both* the economic and social structures of accumulation. In this light the process of commodification is the, perhaps unintended, consequence of making conscious choices about the role of the state in a changing society.

The uncertainties of how to react to the new conditions that have been generated by economic and social changes provide a great deal of room for manoeuvre by political actors. The acceptance of much of the argument of the new right by these actors has opened up possibilities for change that were unavailable while the social-welfare and social-democratic consensus of the immediate postwar period was in place. The arguments of the new right do not, in themselves, point explicitly towards commodification as a solution to existing problems, but they do provide a justificatory mechanism for the decisions that are made.

In this context, commodification is not necessarily the only answer to these problems, nor is it necessarily the right answer. Instead, it is a strategy that provides a *possible* set of answers. As such it depends upon not only its success in resolving the existing problems but also upon the extent to which it is accepted as providing an adequate and appropriate reading of what the problems are and how they may be resolved. At this level commodification is as much an ideological weapon as it is a practical tool-kit.

Within the framework of argument and ideas that successive governments have held since the mid-1970s a range of practical solutions to the problems that are perceived to exist are available. Political actors, by making choices about these potential solutions, are consciously intervening in the pattern of developments that take place in the public sector. To this extent, at least, commodification *is* a conscious choice – but this is different from claiming that political actors have consciously pursued commodification as a process, indeed it is doubtful that they have done so.

If commodification is a contingent result of the search for solutions to perceived economic, social and political problems then there is no need to see it as a deliberately chosen strategy by governments. As a summary description of the changes that governments *have* introduced, however, it would appear to be a potentially appropriate term.

Commodification and the arts

The implications of commodification for the public sector as a whole are extremely wide-ranging. How they can be seen to apply to the policy area of the arts needs to be sketched in before considering the precise detail of what has actually happened, which will form the bulk of the succeeding chapters.

Firstly, organisational change in terms of both the precise institutions that are involved, and the managerial practices that are contained within these. It is expected that both of these will be subjected to reform to give a practical shape to the new requirements that commodification brings with it. Thus, the arts organisations that existed prior to the mid-1970s will be expected to have undergone a continuous process of reorganisation, with the emphasis being on making them more market-orientated than they had previously been.

Secondly, it would be expected that the systems of financing the arts through the public purse would be changed. This would, again, be in terms of making them more market-orientated in terms of how they operate, but could also be expected to move towards a greater accommodation with the private sector, either as a direct alternative to public funding or as a secondary source of funds.

Thirdly, the dominant ideology of public sector support for the arts would be expected to change towards one where direct intervention becomes less acceptable, and where the assumed superiority of the market as a mechanism for making choices becomes dominant. Alongside this, the relationship of public sector arts organisations to the general public would be expected to change away from a view of the arts as a form of collective good towards a more market-dominated one.

Fourthly, the policy process as it affects the arts would be expected to change, with policies themselves becoming more selective and directed, and with more information being provided. The process of making arts policies would be expected to become both more fragmented, with the consequent reduction in power and status of previously dominant groups, and more economically rational. Exchange-values would be expected to dominate the process in place of the previously dominant use-values, and

the role of the citizen to change from that of a democratic citizen to that of an economic consumer.

Stated as baldly as this these arguments take the form almost of predictions. The extent to which the recent history of the arts in Britain meets these predictions can serve as a guide to how effective the commodification argument is as a summary of the changes that have been taking place over recent years, and this will be returned to in the conclusion to the book.

Conclusion

The commodification argument that has been advanced here locates the changes that have been taking place in the organisation, management and administration of public affairs in the context of the larger changes that have been occurring in the organisation of capitalism. The changing relationship of the state and its citizens and the increasing emphasis on exchange-values rather than on use-values are understood as being symptomatic of a major redrawing of the boundaries of the public and the private. How these changes have been worked through in practice as far as the arts in Britain are concerned forms the focus for the following chapters.

2
Managing the Arts: 1945–79

Introduction

Prior to 1940 about the only direct state involvement with the arts in Britain was to be found in local and national museums, financial support for broadcast opera on the BBC and in the post of Poet Laureate. Apart from these small areas of activity the British state displayed a marked reluctance to become involved in a field that was seen to carry as many political problems as it did opportunities.

The attitude of the political establishment towards the arts was most succinctly expressed by Lord Melbourne when, as Prime Minister in 1835, he declared 'God help the government who meddles in art' (Minihan, 1977, p. 60). Indeed the establishment of such national institutions as the British Museum and the National Gallery depended as much upon good fortune (largely through having collections bequeathed to the state or sold to it at knock-down prices) as upon a conscious determination to enter a new field of policy. The development of state involvement with the arts, therefore, depended upon a slow accretion of responsibilities for public bodies rather than upon an explicit commitment by the state to this area.

After 1940, however, the state's involvement with the arts developed rapidly, with the introduction of new institutions and the development of state patronage for the arts in Britain on a scale that had never been seen before. The story of the growth of this involvement is important for placing in context the changes

that the world of arts policy has seen in more recent times. This Chapter, then, is concerned with mapping out the process by which the arts moved firmly into the political firmament. Alongside this historical narrative a consideration is also given to the dominant patterns of state involvement with the arts that developed in the postwar period and how these provided the base-line against which more recent changes can be assessed.

From laissez-faire to welfare state

The change in the role of the British state from a marked reluctance to become involved in the arts to becoming a major patron of those same arts was quite clearly allied to more general trends in state intervention, as a survey of the early history of such involvement demonstrates.

Apart from the personal actions of individual monarchs (for example, the establishment by Charles I of a royal art collection and his patronage of Van Dyck) the continental European tradition of state patronage of the arts never developed in Britain (see Pick, 1988, pp. 15–37). Ridley (1987, p. 225) has argued that this was the consequence of both the dominantly Protestant tradition in British private life and of the early take-off of capitalism in Britain. The former of these emphasised private, individual, consumption at the expense of the public sphere; the latter encouraged the development of a private-sector provision of the arts at the expense of public patronage.

While the state was, at best, slow to develop a positive role towards the arts it was not entirely absent from this field. The major involvement of the state with the arts up to the late eighteenth to early nineteenth centuries concerned the *control* of artistic production. This control largely took the form of either licensing or censoring the production of books and theatrical performances, with the result of severely limiting both. Such a role for the state stood in contradistinction to the laissez-faire role that evolved alongside the development of capitalism, and has continued to the present day in, for example, obscenity legislation. As such, this role has been an ever-present feature of negative state involvement with the arts that actually pre-dates more recent, positive, interventions.

The laissez-faire mentality associated with nineteenth-century free-market capitalism applied to many areas of life that are now seen as being appropriately areas of state activity. The arts were no exception to this attitude and were, perhaps, even more off-limits to state involvement than other fields of activity. The Protestant tradition meant that 'life was a serious business and . . . leisure should be spent in morally uplifting ways' (Ridley, 1987, p. 225): such morality was largely to be found in religion and education rather than in such frivolous pursuits as the theatre, music and dance. In this view the arts were seen as being unworthy of public support through governmental action.

Bennett (1995) has argued that alongside this laissez-faire attitude that denied the importance and significance of the arts, there were also developing a number of other distinctly British attitudes that were by no means so antithetical towards them. In the case of these other views the arts were not deemed to be important in themselves but, rather, in terms of what they stood for, or could be used for. Central amongst these were the views that the arts were important for their contribution to national prestige, and for their role in 'civilising' the population (usually viewed as the working class: the bourgoisie were assumed to be civilised already).

The development of such attitudes were significant for the early moves towards state involvement with the arts, encouraging, as they did, the movement towards establishing local libraries, art galleries and museums throughout Britain. Such institutions were primarily assumed to be important bulwarks against public disorder (Minihan, 1977), although later on in the nineteenth century the romantic notion of art as an essential element in 'civilising' the soulless spirit of capitalism began to supplant this, particularly in the work, for example, of William Morris.

The development of capitalism saw an explosion in artistic production in Britain: a visit to almost any municipal art gallery today would bear witness to this in the arrays of Victorian still-life, narrative and landscape paintings that hang on their walls. Capitalism itself assisted in this process with the creation of new technologies that allowed for the far easier, and much cheaper, production of, for example, books and prints. The laissez-faire tradition assumed that the wishes of the public would be met

through the exercise of free-market capitalism and, in many ways, this proved correct.

As long as the market was seen to be meeting the needs of the public there was no real need for the state to become involved with an activity that was perceived to depend upon individual taste and fashion. Where the state did intervene it had to be for a purpose, and this purpose was to be found in the educative and moral dimensions that were contained within the civilising mission of the arts (Bennett, 1995), as well as with the role of the state as a form of moral arbiter through its activities in the field of censorship.

These roles for the state continued through to the early part of the twentieth century, particularly in the creation of the BBC in 1927 which had an important role in providing education as well as entertainment. Alongside these, however, the state was also developing new roles in the field of the arts. Subsidies to support orchestras and the production of opera (in the latter case provided to the BBC by the Labour government in 1930) were started, although on a very small scale, and support for the new film industry was provided to encourage the production of British films against the competition of Hollywood.

Increasingly the economic dimension of the arts began to influence the activities of British governments, although this aspect of state involvement never developed the same significance as the other motors to activity until after 1979. Indeed, the first role of the state in actively supporting the direct production of the arts came about not for reasons of 'civilising' the nation, nor for correcting the failings of capitalism in meeting the demands of the 'consumer', but from the more urgent threat created by war.

The outbreak of the Second World War served as a major impetus for the development of direct state involvement in the arts. Indeed,

> in a single decade, during and after the Second World War, the British Government did more to commit itself to supporting the arts than it had in the previous century and a half (Minihan, 1977, p. 215).

This change from avoidance to direct intervention originated with the establishment of the Council for the Encouragement of Music and the Arts (CEMA) in 1940 by the Pilgrim Trust, a private charity (Hewison, 1995, ch. 2; Sinclair, 1995, ch. 1; Witts, 1998, chs. 3–4). CEMA was intended to defend British culture and the arts against the threat of fascism through financial support for music, opera, ballet and drama, and for the purchase of works of art.

The government became involved in the funding process not only for reasons of national morale but also for the propaganda advantages that it was believed CEMA would produce. By 1941 the state had taken over the entire cost of running CEMA through grants from the Board of Education. Alongside the contribution of CEMA to the war effort it is worth noting that the two Chairmen of the Pilgrim Trust between 1939 and 1945 were also closely involved in governmental circles: Lord Macmillan, the Chair until 1941, was Minister of Information, and his successor, John Maynard Keynes was, of course, active in the Treasury. This overlap between the arts world and the corridors of power had a beneficial impact on the operations of CEMA and became a recurring theme in the development of state intervention in the arts in postwar Britain (see Chapter 4 for a fuller discussion of this point).

The success of CEMA in producing state-supported, but not state-directed, art was the key to the future development of the state's role in the arts. CEMA demonstrated that state intervention in this area could be at least as successful as the private sector had previously been, not only in fulfilling the needs of the public but also in advancing the twin objectives of national prestige and the 'civilising' of the masses. The fact that these could be met without the state having to make the actual artistic decisions that were involved provided a model for state intervention that characterised the postwar experience.

The ending of the war and the return to power of the Labour Government in 1945 saw the creation of the entire welfare state complex that dominated British political, economic and social life until the mid-1970s. The consensus politics that dominated this period saw a massively increased role for the state in all areas of life, with central government being committed to processes of economic planning and welfare provision to a much greater extent than ever before (Kavanagh and Morris, 1989).

To manage the new requirements of governmental intervention a host of new state organisations were created (for example, the nationalised industries and the National Health Service) while existing organisations had their range of activities increased to enable the provision of new service responsibilities (as occurred with local government). The postwar settlement created a true welfare state, committed to principles of redistribution and the allocation of resources on the basis of political choices and decisions, and which emphasised the key role of the state in these areas at the expense of the market. The impact of the Great Depression of the 1930s had opened the possibilities for the creation of a mixed economy that no longer accepted the assumption that the private sector was the most efficient allocator of society's resources. The creation of an active state in the immediate postwar period in response to this changed view served as a turning-point for the arts as much as for other sectors of society.

Thus, the creation of an arts policy depended not so much upon conditions within the arts world itself as it did upon changed conceptions of the role of the state and the management of the resources of society. The impact of these changed views on the arts were, if anything, greater than in other areas of state involvement. State policies concerned with such diverse issues as economic management, social security, education and health already existed prior to the war as part of a commitment to state intervention in such areas, even if they operated at a much reduced level in terms of expenditure and commitment compared to the postwar period. For the arts, however, the commitment to intervention was a major change for a policy area that was marked more by the absence of state policies in the preceding years than by any coherent policy approach.

The postwar settlement for the arts

The small-scale development of state subsidy before the war was a mere shadow of what occurred afterwards, while the entire notion of the state becoming an active participant in the provision and distribution of the arts changed from anathema to acceptance. The process by which this occurred, and the development of new sets of administrative machinery to deal with

the arts, displayed, however, a continuity of attitude and approach with what had gone before in terms of the dominant ideas and principles that lay behind state intervention, even if explicit, larger-scale, intervention itself was a radical departure for postwar governments.

One of the last acts of the wartime coalition Government was to announce the establishment of a new organisation to continue the work that CEMA had undertaken during the war. The Arts Council of Great Britain (ACGB) formally began its operations in 1946, shortly after the death of Keynes who would have been its first Chair. Responsibility for the ACGB would lie with the Treasury which was also, of course, responsible for its financing. The independence of the Council from political manipulation was meant to be assured by its creation as a creature of Royal Charter, rather than as a governmental Department, ensuring a removal of it from the normal channels of political management. In effect the ACGB was to be a quango: a quasi-autonomous non-governmental organisation. The implication of this was that any involvement by the Government with its activities was to be at one remove. Rather than intervening directly, the Government's role would be limited to the allocation of funds and the appointment of the ACGB's membership. The day-to-day activities of the ACGB, and the policies and decisions that it made, were to be its own responsibility, rather than the government's, even if the parameters within which it operated were state-defined.

This 'arm's-length' principle for the arts was first enunciated in the 1970s (Redcliffe-Maud, 1976) but was actually a long-standing feature of the quango form of administration, allowing Ministers to avoid direct intervention in policy areas whilst still ensuring that public involvement took place in the administration, management and provision of politically desired policies (Hood, 1978). In the case of the arts, however, it assumed a special status, largely as a consequence of politicians wishing to avoid accusations of state censorship or control of the arts, and artists' desire to retain their independence from their sources of finance.

The attempted separation of the arts from the political context in which the subsidising patronage of the state, and the organisational context of the administration and management

of this patronage, are undertaken can be seen to be a direct continuation of the British tradition of keeping politics (or, at least, politicians) away from direct involvement in the arts. The utilisation of the quango form of administrative structure as the preferred solution to how to manage the arts clearly fitted in with this tradition, even if imperfectly.

This imperfection is evident in the fact that even while quangos allow for an 'arm's-length' relationship between politicians and the arts this relationship does still exist, and it would be disingenuous to deny this. The role of politicians in determining the membership of the ACGB and the amount of money that it would have available to it effectively makes a mockery of the British tradition of separation: whatever was to be done by the ACGB, and whatever amount of money it would spend, were controlled, even if at one remove, by politicians. The decision to attempt to continue with the tradition of separation in the ACGB allowed, however, the fiction to subsume the reality, providing a basis for continued complaints from the arts world about political interference in artistic decisions.

In practice the ACGB was never wholly independent of the political process, even if its status as an 'arm's-length' administrative agency allowed the pretence to be maintained. A consequence of the ambiguous status of the ACGB was that responsibility and accountability for the arts were blurred. As neither politicians nor the ACGB were wholly independent of the other it became difficult to pin down where power lay within the system of arts subsidy and patronage. While this lack of clarity had some clear advantages for both sides – for example, being able to blame each other for the outcomes of the grant allocation process and thus both being able to escape censure – it also stored up difficulties for later attempts to reform the system.

These difficulties were exacerbated by developments elsewhere in the field of arts policy. The growing involvement of the state in areas that had previously seen only a small role for public organisations was shadowed by the growth of state intervention in the arts, with the important rider that, for the arts, *any* involvement was new, especially when compared with policy areas where the state had previously had a recognised role, however

small. This was particularly true for the arts at sub-national levels within the state machinery.

While, for example, local authorities had been important providers of museums and libraries since Victorian times their direct involvement with the provision of the living arts was distinctly limited. The postwar settlement allowed local authorities an increasing scope to become actively involved with the arts. Such involvement, however, was of a discretionary nature that local authorities *could* pursue if they so wished, rather than being a statutory function that *must* be fulfilled by law. As long as local authorities had adequate resources, funding for the arts could be found. When resources were tight, however, the arts would always be in a weak position in comparison with statutory services, regardless of any commitment by local councillors and officers to the arts themselves.

For both local authorities and the ACGB the postwar period offered new possibilities by opening up a previously uncharted policy terrain to their ideas, policies and actions. Given the relatively *tabula rasa* status of the arts as far as state intervention was concerned it is perhaps surprising that relatively little in the way of radical developments in the provision and support of the arts was attempted. The continuity of attitude and approach in terms of ideas and principles meant, instead, that the past, rather than the future, was really the most powerful influence on arts policy in the immediate postwar period.

The implied incrementalism of this view actually serves to understate the extent to which the ACGB and local authorities *did* innovate. This innovation, however, was simply in terms of the starting context rather than in terms of the preferred processes of policy creation and implementation that were utilised. In effect, incrementalism was to be found in policy *processes* rather than in policy *outcomes* or *contents*. Both of the main protagonists in the field of arts policy were actually involved in radical departures from the pre-existing *status quo*, but the basic approach that was adopted to the making and implementation of policies for the arts was markedly similar to what had gone before.

Firstly, the key ideas of national prestige and the 'civilising' role of the arts were both maintained, both to justify expenditure

and to justify what this expenditure was made on. In the second place arts policy was seen as being a very small part of the overall role of the state. The Royal Charter that established the ACGB, for example, contained a tension between large-scale, national and professional arts and small-scale, local and, at best, semi-professional arts provision (for the text of the Royal Charter see Sinclair, 1995, pp. 401–7). The decision to concentrate on the former created an arena of conflict within the arts that continued throughout the postwar period, with the same battles being consistently fought and refought (Hutchison, 1982; Shaw, 1987; Sinclair, 1995, ch. 3; Hewison, 1995).

The minority role of arts policy, on the other hand, was to be found, not in the content of policies themselves, but in the organisational environment within which these policies were created and implemented. At the national level the placing of the ACGB under the wings of the Treasury, and without a specific Minister who could be held accountable or responsible, served to place arts policy in central government in a quiet backwater, remote from the usual forms of party politics involved in state action. Indeed an expansion of Government support for the arts in 1959 not only depended upon a private member's motion in the House of Commons, but also upon MPs themselves voting on non-party lines (Ridley, 1987, p. 229).

By isolating the arts from the more overtly party political channels that surrounded most other areas of policy, governments could use an approach of almost benign neglect. Lord Clarke, for example, claimed that the appointment of Earnest Pooley as the first Chair of the ACGB following Keynes's death was a good one on the grounds that Pooley was unlikely to ask for more money for the arts and thus ruffle politicians' feathers (Clarke, 1977, p. 129). The use of a quango to make national policy for the arts was of a piece with this: the ACGB was separated from the normal political channels and could, therefore, be safely left alone – particularly as the arts were not a major policy priority for central government.

The arts in local government were in similar circumstances, being a relatively small element of expenditure and located organisationally within Departments with much wider remits than the arts alone. In the case of local government a concern with

national prestige was replaced with one of local prestige but the arts themselves were still seen as being somehow separate from the mainstream of political activity.

A consequence of this isolation from broader political (and economic) issues was that the arts became an increasingly introspective policy area. The issues and problems associated with the development of an arts policy were increasingly dealt with by a restricted set of political actors. These actors tended to deal with the arts in terms of their own criteria, divorced from the centres of political debate. This limited the range of options that would, and could, be pursued by arts organisations and served to centralise power within the arts system.

The concentration of power at the apex of the growing world of arts organisations was matched organisationally by the decision of the ACGB to close down their regional offices in the mid-1950s. This further served to isolate the ACGB from what was occurring elsewhere in the country. The hole that this decision left in the structure of the arts network was filled, to some extent at least, by the decision of consortia of local authorities to establish their own regional organisations for the arts from the 1950s to the 1970s. These Regional Arts Associations (RAAs) were funded by grants from local authorities, the ACGB and businesses and were dominated by the local authorities themselves. The limited budgets that the RAAs had, however, meant that they formed only a minor element of the entire organisational complex for the arts.

The development of an arts policy sector involving the creation of an isolated set of organisations, operating at relatively low levels of expenditure and with power largely concentrated at the top, marks an important point of difference with the rest of the welfare state that was developing at the same time. The broader welfare state was predicated upon assumptions of political pluralism, accountability and responsibility. The self-contained, and very minor, area of policy that was represented by the arts was also affected by these ideas but was more so by the traditions of the past. These traditions were used to justify the creation of a particular form of state involvement for the arts that was less pluralist in nature than the rest of the welfare state. This surface difference, important as it turned out to be for the practice

of arts policy, must be considered, however, alongside the areas of similarity with the rest of the welfare state.

These similarities were concerned with the role of the state in the redistribution of the resources of society. This redistributive thrust contained within it notions of social justice for all groups within society that were very different from those associated with the welfare reforms of the Liberal governments before the First World War. Those reforms were aimed explicitly at the working classes: the welfare state was aimed at all classes. Indeed, it can convincingly be argued that the greatest beneficiaries of the welfare state were to be found in the increasing numbers in the middle classes.

The commitment to societal, rather than class-based, improvements in the standard of living contained in the welfare state idea was built around a view of the citizen as a member of a wider collectivity, rather than as a consumer in the market-place. The new role of the state as a moderator of the worst features of a relatively free market-place meant, of course, a vastly increased role for the state in all areas of social life. The arts, as one element of this, was thus no different from any of the other areas in which the state was increasingly intervening. By taking an active role in matters of distribution and redistribution the state also had to consider in more detail than previously other matters, such as questions of access and social justice.

The restructuring of the machinery of the state to take due account of the new pressures that were generated by this change of focus served to carry on many of the administrative reforms to which the Second World War had given rise. The creation of new organisations designed for specific purposes was a part of this process. The creation of the ACGB and the expanded role that local authorities had in their areas were both symptomatic of this. Unlike other, larger, policy areas, however, the arts were in a position where the pressures to conform to the welfare state mentality were of a lesser importance.

The traditional reluctance of the state to intervene in the arts had inevitably restricted the numbers of participants who were able to take an active role in the arts. The creation of new organisations specifically for the arts saw a continuation of this closed attitude, associated as it was with the relatively elitist notions of

the arts as forces for national prestige and for 'civilising' the masses. Thus, while the creation of the welfare state saw some opening up of the arts world to new ideas and attitudes in the immediate postwar period, these new elements were overshadowed by the greater pressures exerted by the past.

As a consequence the arts were less affected by the entire range of reforms associated with the welfare state than were other areas of policy. The most important change for the arts from the creation of the welfare state was certainly that which allowed the state a new interventionist role. Alongside this the treatment of the citizen as an active member of a broader collectivity served to gradually affect the way in which the arts network operated, particularly with the creation of the RAAs. Of lesser importance in the immediate postwar period were such ideas as equity and social justice. These had to wait until later before becoming increasingly significant for the arts.

The postwar construction of the Welfare State generated many problems alongside the successes that it also contained. These problems only became evident, however, when the settlement that the Welfare State represented came under pressure as a consequence of the changing nature of British, and world, capitalism. The consequences of these problems for the arts became clear when the system that had been established in the immediate postwar period was altered as a result of not only economic difficulties but also changed conceptions from politicians of the role of the state when dealing with the arts.

The consolidation of the system

1965 saw the first major changes to the organisational system for managing the arts since the creation of the ACGB. In that year the first Minister with responsibility for the arts was appointed and organisational responsibility for the arts moved from the Treasury. Both of these marked the consolidation of the role of the state in the arts by establishing clearly identifiable locations for managing the overall system.

The move from the Treasury was important, not least symbolically. The role of the Treasury in controlling public expenditure made the position of the arts within it as an area where expenditure

was made something of an anomaly. Ridley (1987, p. 229) saw the movement of the arts from the Treasury as resulting from the reforming impetus of the then new Labour Government. Part of the reform agenda of this Government was to fit governmental organisations for the new world that was to be forged in the 'white heat of the technological revolution'. To do this a rearrangement of governmental responsibilities was undertaken and the position of the arts as an area of expenditure within the Treasury was seen to be both incompatible with the functions of Treasury itself, and in urgent need of change.

The shift from control to expenditure also promised that state support for the arts would be viewed in a more favourable fashion than it had previously been, providing a recognised administrative base for the arts supported this by accepting a clearer commitment to this policy area. The introduction of a new Ministerial position cemented these advances by giving the arts a clear voice within Government – something that they had lacked in the past.

Originally the new Minister was located within the Ministry of Public Building and Works, indicating either a total unawareness of the arts or a lack of concern for their importance. It was not long, however, before the Minister was relocated to the Department of Education along with the new administrative unit of the civil service that had been established. This new home for the arts in central government again displayed the continuation of the traditional view of the arts as a force for 'civilising' the masses, in this case through the role that they could play in instilling particular values and a particular vision of what was 'good' art – or at least what art was worthy of public support.

The significance of the twin changes of 1965 can be gauged by examining the increases in expenditure of the ACGB before and after this date (see Table 2.1). As can be seen the steady growth of expenditure by the ACGB mushroomed during the 1960s, increasing by nearly 500 per cent in real terms during the decade.

The impact of this vast increase in spending by the ACGB, along with the increasing expenditure on the arts by local authorities at the same time, was to expand the range of organisations that received public financial support, with many more arts pro-

Table 2.1 Arts Council of Great Britain Expenditure, 1945–79

1945/46	1 492 600	1962/63	8 405 000
1946/47	2 416 400	1963/64	10 300 100
1947/48	2 746 500	1964/65	11 606 700
1948/49	3 681 900	1965/66	13 595 800
1949/50	3 961 000	1966/67	18 817 300
1950/51	3 637 500	1967/68	23 428 100
1951/52	4 577 000	1968/69	24 292 800
1952/53	3 509 600	1969/70	24 318 000
1953/54	3 789 300	1970/71	25 621 300
1954/55	3 674 900	1971/72	29 976 700
1955/56	3 803 200	1972/73	31 483 300
1956/57	3 865 000	1973/74	36 461 900
1957/58	4 222 700	1974/75	44 100 000
1958/59	4 569 600	1975/76	42 234 200
1959/60	5 042 300	1976/77	46 755 900
1960/61	6 228 700	1977/78	46 273 600
1961/62	6 954 000	1978/79	52 291 800

Notes:
1. All amounts are expressed in 1978/79 prices.
2. All figures are rounded to the nearest £100.

Sources: Arts Council of Great Britain, *Annual Reports*; price indices are based on the Retail Price Indices in HMSO, *Annual Abstract of Statistics.*

ducers receiving state subsidies. This was most marked in the increasing amounts that were spent on providing arts organisations with their own permanent residences. This was a reversal of the policy that originated in 1954–55 that 'housing the arts' was not to be a priority of the ACGB: 'the Arts Council neither desires nor intends to advocate a grandiose plan for building theatres and halls' (Arts Council of Great Britain, 1955, p. 9). Most of the expenditure of the ACGB at this time was on the subsidisation of performance through revenue expenditure. By shifting to capital expenditure through the emphasis on the construction, renovation or conversion of properties to provide a building-based location for the provision of the performing arts, the ACGB signalled a commitment to professional rather than amateur or semi-professional arts provision, and a concentration of resources to the same end.

The move towards supporting building-based professional arts production was started with the publication of two reports in

1959 and 1961 (Arts Council of Great Britain, 1959; 1961) and led to a position whereby the ACGB was increasingly committed to directing funds on a continuing basis towards the same set of beneficiaries of the patronage system, with consequences that would only become apparent at a later date. During the 1960s, however, the increasing sums of money that were available served as an indicator that the arts were now to be treated seriously as an arena of state involvement.

This new-found enthusiasm for the arts was matched by the revision of the ACGB's Charter of Incorporation in 1967 to allow for a widening of its powers to give grants (Sinclair, 1995, p. 150), and by the publication of the first formal statement of the role of government in the arts in the White Paper *A Policy for the Arts* (HMSO, 1965).

This White Paper emphasised the importance of the 'arm's-length' principle with regard to the ACGB and ushered in the creation of a separate fund (the Housing the Arts fund) to support capital expenditure on the arts. It accepted that the certainties that the ACGB had been dealing with in its approach to supporting the arts were being increasingly questioned, leading to doubts about its role, and it acknowledged that expenditure on the arts took place on the basis of a reactive stance by the ACGB rather than a proactive one.

This complaint of the Government was somewhat disingenuous as, since 1962, the grant awarded to the ACGB was planned for a 3-year period. In common with other developments in public expenditure at the time (Pollitt, 1977) the intention of this shift to a forward-planning basis was to allow for the development of a coherently planned approach to public spending. By providing funding on a 3-year time-scale it was anticipated that some long-term consideration of the purposes of public expenditure could take place. The response of the ACGB to this move was to defend its short-term, and essentially reactive, perspective (see Arts Council of Great Britain, 1966, p. 8). Such a view was somewhat contradictory in terms of the long-term view that a major commitment to capital expenditure entailed and was never satisfactorily resolved until much later.

Overall, however, the changing attitude of central government and the increasingly large sums of money that were being spent

on the arts by both the ACGB and by local government during the 1960s promised an improved position for the arts. By the early 1970s it appeared that the postwar welfare state settlement had led to the creation of a strong, if still small in terms of total public expenditure, policy arena. This development was of a piece with the consolidation of the welfare state system during this period. When the social, political and economic settlement that the welfare state represented came under pressure the certainties that appeared to have developed for the arts also came under review.

The pressure for change

The consequences of the oil price rises of the early 1970s for the British system of government and administration were many and widespread (see Hennessey and Seldon, 1987, chs. 7 and 8). Not least of these consequences was that a thorough reappraisal of the entire welfare state was inaugurated, serving to fuel an ideologically motivated process of institutional and procedural change within British public administration and management.

As with the earlier development of the system, the arts were not immune from the, often painful, processes of change that were generated as a result of the collapse of the postwar consensus. Just as the development of the system of arts management was a reflection of the dominant ideas and intentions that underlay the welfare state, so the changes that occurred within this same system reflected the turmoil and conflict that were taking place elsewhere within the broader social, economic and political environment.

Effectively the period from 1972 until the election of the new Conservative Government of 1979 provided something of an interregnum for British public administration. The seeming inability of the administrative machinery of the state to respond to the new problems of high inflation coupled with high unemployment was subject to much debate during this period (for example, see King, 1975; Pollitt, 1984, chs. 6 and 7). This debate took place in the context of the working through of the administrative reorganisations of national and local government and the National Health Service that had been put in train by

the Labour Governments of 1964–70 and implemented by the Conservative Government of 1970–74.

These reorganisations were part of a process of institutional modernisation that was meant to fit the administrative machinery of the state to the conditions of the last part of the twentieth century, redefining organisational structures that had been put in place in very different social, economic and political circumstances. The economic crisis that confronted this machinery while it was still in the process of being reformed contributed to the perceptions of administrative inability that marked this period and helped to pave the way for a more radical restructuring of state organisations after 1979.

In the case of the arts the most obvious result of the economic crisis was that for the first time since the 1950s there was a decrease in the real spending power of the ACGB. The increasing dependence amongst many arts providers on the financial resources of the ACGB meant that the results of this cut in the available resources percolated its way throughout the entire arts system. In common with many other parts of the public sector this meant that an enforced strategy of cutback management needed to be developed in organisations that had previously been used to financial growth (Hood and Wright, 1981).

A consequence of this was that the structure of the arts world, in terms of how finance was raised and spent and the interdependencies between the organisations within it, came under increasing scrutiny. The fact that local authorities were being placed under increasing pressure to control their levels of expenditure contributed to this reassessment, particularly given the discretionary, rather than statutory, nature of local authority support for the arts which made this area of expenditure a prime target for making savings.

The relationship of the ACGB and local authorities with arts organisations had been subject to debate for many years. The fact of financial stress served to make this a central area for political manoeuvring throughout the latter part of the 1970s. Criticisms of the role of public organisations in subsidising the production of art through the patronage system also became increasingly common during this period, particularly from the right of the political spectrum (see, for example, Amis, 1979). Allied with

this attack on the role of the state with regard to the arts was the complaint, this time from the left of the political spectrum, that financial support for the arts was geared towards 'elitist' art forms that were far removed from the interests and concerns of the majority of the British population (see, McGuigan, 1996, p. 59). These twin attacks on the existing pattern of public support for the arts, when combined with the increasing pressures upon finance for the arts from both the ACGB and local authorities, served to create a climate where changes in the arts policy arena were accepted as being necessary, even if there were few, if any, clear ideas of what sorts of changes would be appropriate to rectify the perceived situation and create a new settlement for the arts that would garner support.

To this extent the arts were in a similar position to the rest of the public sector at this time. The 'crisis' of the welfare state that was seen to exist during the 1970s was intimately related to the economic crisis of this period. The enthusiasm with which the arguments of the new right were adopted was symptomatic of the perceived failings of the welfare state settlement to respond to, primarily, new economic conditions. The consequences of accepting the arguments of the new right about the causes of economic crisis provided a range of possible solutions to the new problems that had appeared. Along with economic policy solutions to the crisis there also existed arguments about the types of structural changes that were felt to be essential for creating the appropriate institutional environment for these solutions to be effective.

These arguments were related to all aspects of the British state and depended for their resolution on the election of the first Conservative Government headed by Margaret Thatcher in 1979. This Government did not, however, depend simply upon ideas about policy and institutional redesign. Allied with these was a broader ideological argument about the proper role of the state in society (Gamble, 1988) which implied a radical reappraisal of how state organisations should operate in carrying out their functions.

The implementation of new ideas about the role of the state marked a major break with the postwar welfare state consensus. The redesign of state institutions within this consensus had been

dependent upon the exigencies of the times. The accelerating trend towards reforming the administrative machinery had affected all of the major institutions of the state by the mid-1970s: local government and the National Health Service were reformed in 1973 and 1974 and central government was reorganised in 1970 (see Wilson and Game, 1994, ch. 4; Baggott, 1994, ch. 4; Pollitt, 1984, ch. 6 respectively).

All of these reforms were designed to fit the machinery of the state to the demands of managing a complex welfare state system along certain principles of managerial efficiency. The (relatively) minor reforms to the state system for managing the arts that took place during this period fitted in with these ideas. As such the arts were not an exceptional element within the state system. Indeed, given the low political salience that was attached to the arts when compared with other areas of public policy it would probably be more surprising if there had been a departure from the norms of state organisation for managing this function, especially as more 'central' functions were unable to resist the pressures for change which existed at this time.

Conclusion

The postwar period saw a major growth of the role of the state in providing support for the arts in Britain. The way in which this support was organised and managed was influenced both by the historical reluctance of the state to become involved in this policy area, encouraging the use of 'arm's-length' administrative machinery, and by the welfare consensus that surrounded the organisations and operations of the state machinery.

The commitment to developing an active role for the state in the field of the arts from the 1960s onwards meant a vastly expanded sphere of action for state institutions in managing, supporting and developing the network of arts organisations within Britain. The consequences of this development for the overall structure of state involvement with the arts and, in particular, for the location of power within this structure are important matters to consider. The next two chapters move on to consider these issues as they affect the arts today. How this existing system for managing the arts has developed since 1979 is then considered in the following chapters.

3
Who Runs the Arts?

Introduction

The organisational responsibility for managing the states' involvement with the arts in Britain is fragmented both institutionally and geographically. In addition, the funding of state support for the arts is also fragmented, involving both the public and private sectors of the economy as well as the new large-scale support that is provided through the national lottery. It is important to map out the complex system of organisational actors that affect state involvement in this policy area to clarify the divisions of responsibility and accountability within the system and to identify the consequences for the provision of the arts within Britain as a whole.

This Chapter undertakes this mapping exercise by discussing the roles and functions of the major public sector organisations concerned with the arts in Britain. Inevitably this discussion will lay down markers to the significant changes that have taken place since 1979 in this organisational universe. It is not intended, however, to consider these changes in detail here, this being reserved for later chapters. Equally, the manner in which these organisations operate in carrying out their functions and the distribution of power within the system are both implicit in this discussion. The intention of this chapter, however, is simply to provide a formal description of the relevant organisational units with a responsibility for the arts. How they actually operate in practice, with all of the implications that arise from this for the

distribution of power within the system is considered more fully in the next chapter.

Art and culture

Before commencing the discussion of the public sector organisations that have a responsibility for the arts in Britain it is important to differentiate the roles of the public and private sectors in the general field of cultural policy, of which the arts form a part.

At the most basic level, the arts can be seen to be concerned with the general area of the 'high' arts, while both 'high' and 'low' arts are concerns of cultural policy (along with many other factors of social life). This distinction, while being largely a false dichotomy derived from a particular reading of the work of Matthew Arnold from the nineteenth century (Arnold, 1960), is a long-standing one. Williams (1976, p. 76) argued that 'culture is one of the two or three most complicated words in the English language' and is capable of many different interpretations. The separation of 'high' from 'low' culture depends upon a particular interpretation of the word culture itself, and implies that there is some hierarchy of worth in existence for the products of human creativity.

In the traditional view the 'high' arts – usually considered as consisting of opera, 'classical' music, theatre, ballet and literary fiction – are a superior form of cultural production, being in an aesthetically privileged position over other forms, such as pop and rock music, crime novels or soap operas. Such a distinction carries its own freight of ideological meaning for assessing the validity and worth of different forms of cultural production, and is a key element of debates about the arts within the British context. Jordan and Weedon (1995, ch. 2) argue that this distinction is a direct consequence of a Liberal Humanist ideology that underpins the structure and content of arts and cultural policy within Britain, and which directs policy attention towards certain forms of cultural intervention by the state rather than others.

In effect, the separation of 'high' from 'low' culture argues that some forms of cultural production have a greater intrinsic significance and value than others, and are, as a consequence, more

worthy of public recognition and support. The acceptance of such a view has been implicitly recognised by the British state through its role in supporting certain art forms to provide the 'civilising' function that has been such a major aspect of state involvement in the arts since the nineteenth century (see Chapter 2). To this extent the state has effectively created two arenas of cultural production: the 'arts' which are deemed worthy of state intervention, and 'popular culture' which is not.

This distinction has been matched by the dominant mode of production which is to be found in these two fields – state intervention in the 'arts' being undertaken in a largely non-market fashion based around the notion of economic public goods, and popular culture being subject to largely free-market forces of demand, supply and price. This creates the existence of two distinct market places for the production of cultural goods and services of which the state sector is only one element.

This market differentiation has important consequences for the arts as it isolates them from the economic considerations that form a vital component of production in the market-place. Not surprisingly, given the dominantly capitalist nature of the British economy, it is the private market-place, dominated by the production of 'popular' cultural artefacts, that is generally perceived as being the most important. As Mulgan and Worpole (1986, p. 9) have argued, the dominant forces shaping the nature of British culture are to be found in 'Next shops, Virgin, W.H. Smith's, the Notting Hill Carnival and Virago', rather than in the bastions of 'high' art such as the Royal Opera House and the Tate Gallery.

This line of argument can lead to several conclusions: either the 'high' arts are an irrelevance to modern society, being the preserve of a cultural 'elite' and therefore not worthy of state support; or that they are pickling in aspic the past as part of some 'heritage industry' (Hewison, 1987) that can be managed in terms of market forces; or, indeed, that the 'high' arts *should* be subjected to the same market forces as the popular culture industries to prove their worth, and that state intervention, particularly in financial terms skews the operation of the cultural market-place by subsidising forms of production that the general public does not actually want.

Such is, of course, part of the rhetoric of the commodification thesis that has already been advanced (in Chapter 1). The extent to which the organisations of the state which have a responsibility for the 'high' arts actually fit in with such a view remains to be seen. Do these organisations operate in a significantly different fashion from those private-sector organisations which deal with popular culture? Are economic forces dealt with differently between these two market-places? Are the markets themselves organised in different fashions from each other? These questions need to be answered in light of the changes that have been taking place since 1979 in terms of the organisational universe concerned with the arts. It is to this universe that attention now turns.

The organisational structure of the arts in Britain

The organisational fragmentation of the arts universe in Britain has meant that there are a large number of different organisations with a responsibility for elements of this policy area. These organisations operate at differing geographical levels within the overall system and have differing functional responsibilities. While the majority of these organisational actors are public or quasi-public in orientation there is also a role for private and semi-private organisations in this field as well.

The organisational fragmentation that exists can, at least in part, be explained as a consequence of the state's reluctance to become involved in this policy area. A commitment to, and recognition of, a direct role for the state in the provision of the arts would imply a much more organisationally structured approach to state intervention, as can be seen in other areas of public policy such as policing or defence. The evident uncertainty that exists about the role of state involvement in the arts is mirrored by the organisational forms that this intervention has given rise to.

The growth of the system of state intervention in the arts up to 1979 (see Chapter 2) displayed this lack of direction through the seemingly *ad hoc* development of the organisational base after 1945. The creation of the ACGB as an 'arm's-length' quango allowed for state involvement without direct state interference in

arts provision; the establishment of the Regional Arts Associations (RAAs) during the period from the 1950s to the 1970s was a direct response to the weaknesses within the organisational structure that were perceived to exist following the closure of the ACGB's regional offices in the 1950s; local authorities only became serious participants over the whole range of arts issues during the mid-1980s as a result of changing attitudes about the political role of the arts during that decade. At no time was there a conscious attempt to coordinate the work of these diverse elements of the system into a coherent system of state support for the arts.

Given the relatively small levels of public expenditure associated with the arts it is not surprising that this policy area was not subjected to the large-scale planning and discussion of appropriate organisational forms that took place elsewhere in the public sector. The consequence of this however has been to leave the arts, as a whole, in an organisationally weak position. In many ways this weakness is perhaps appropriate for a policy area that is itself fragmented (see Chapter 4), but it does result in a particularly messy organisational framework for arts policy to operate within, and it is to this universe of institutional actors that attention now turns.

So what are the dominant organisational actors that fill this framework?

The Department of Culture, Media and Sport

The Department of National Heritage (DNH) was established after the 1992 general election to bring together the whole range of governmental activity that constitutes the state's cultural policy within Britain. The DNH was given overall responsibility for the arts, museums, art galleries, libraries, film, broadcasting, the press, sport, tourism, heritage and listed buildings, the national lottery and the Millennium Fund (Ravenscroft, 1994).

These functions were taken from a number of other government departments (for example, responsibility for the press from the Home Office, for film from the Department of Trade and Industry, for sport from the Department for Education, and for tourism from the Department of Employment) as part of a strategy

to provide coordination and leadership for a range of activities that were concerned with culture in a general sense. The DNH had minimal direct control over these functions. Instead its role was concerned with providing an overall framework for policy within which other organisations that *did* have direct managerial control could operate.

The DNH, as established, had only a short life as it was relabelled the Department for Culture, Media and Sport in 1997, following the victory of the Labour Party in that year's general election. In many ways this renaming strategy had little impact, however, on how the Department operated in practice.

While the function of establishing an overall framework could be seen to imply an active role for the DCMS at the truly national level it is actually restricted in many areas of its activities to England alone. In the case of the arts, for example, the DCMS does have a managerial relationship with the Arts Council of England (ACE) but not with the Arts Councils of Scotland (ACS) or Wales (ACW) which are answerable to their territorial Ministries of the Scottish and Welsh Offices respectively.

In practical terms the DCMS undertakes a number of different activities that are aimed at providing the national framework that the Department was intended to produce when it was first created. The first of these functional activities concerns the role of the DCMS in policy. The DCMS both sponsors legislation through the Houses of Parliament and reviews the operation of existing laws. In addition it also produces policy documents (such as White Papers) that are intended to stimulate debate on policy issues and to generate responses to proposed new policy initiatives.

A second major area of activity lies in liaising with other governmental organisations in pursuit of the Department's own objectives. This liaison occurs with other central government Departments, a range of regional organisations, local authorities and their associations, and within Europe. Probably the most important aspect of this liaison activity lies in the role of the DCMS in the annual public expenditure round. In this the DCMS must negotiate with the Treasury the amounts of money that will be allocated to each of its areas of responsibility. This process involves not only direct contact between the DCMS and the Treasury but also involves contact with a range of other central

Table 3.1 Department of National Heritage/Culture, Media and Sport Expenditure, 1992–99

	Total expenditure	*Arts expenditure*	*Arts expenditure as a proportion of total expenditure*
1992–93	974	235	24.13
1993–94	965	235	24.35
1994–95	976	195	19.98
1995–96	1028	200	19.45
1996–97	937	195	20.81
1997–98	909	191	21.01
1998–99	907	191	21.06

Notes:
1. All prices in £million.
2. Figures for 1996–99 are planned expenditures.
3. Figures from 1994–95 onwards exclude grants to the Arts Councils of Scotland and Wales.

Source: Department of National Heritage (1996), p. 4

government Departments whose activities overlap with those of the DCMS, and other organisations, such as the Arts and Sports Councils which it sponsors.

While the DCMS was meant to be the central focus of all cultural policy in central government the reality is more complex. The Department for Education and Employment, for example, has a major impact on the arts through its role in funding arts education through the various grant-providing agencies in the fields of Higher and Further education. The Foreign and Commonwealth Office, likewise, has an important role to play in flying the flag for British culture overseas through its funding of the British Council. More tangentially, the Ministry of Defence actually spends more on music (through military bands) than the ACE does and needs to be taken into account at budget time.

Given the centrality of questions of finance for public bodies the relationship of the DCMS with the Treasury is clearly of key importance for the arts in Britain. Table 3.1 gives the budget allocation (both actual and planned) for the arts and the DNH/DCMS in total for the period 1992–99.

As can be seen the DCMS has suffered a considerable cut in its budgetary allocation over this period, only a small part of which

is accounted for by the loss of responsibility for arts allocations to Scotland and Wales during this time. At the very least this implies either a certain lack of political muscle for the DCMS in its negotiations with the Treasury, or, probably more accurately, it reflects the fact that the DCMS, in common with all state departments, must fit in with central financial and economic regimes and limits on expenditure.

Liasion with regional organisations is largely undertaken through the relationship of the DCMS with the new Government Offices for the Regions (also known as the Integrated Regional Offices) (see Hogwood, 1995; Marinetto, 1996), and with the Regional Heritage Fora. The latter are made up of the regional arms of the various bodies that are sponsored by the DCMS (such as the Regional Tourist Boards and Regional Sports Councils). The objective of both sets of relationships is to ensure that there is adequate coordination between both the different branches of the DCMS itself and between the DCMS and the regional outposts of other government Departments.

This role is of some importance for the DCMS which has only recently developed its own regional network (DCMS, 1999). This is particularly true in the case of the Single Regeneration Budget (SRB) that is controlled by the Government Offices for the Regions. The SRB is used to contribute to the funding of a large number of local schemes that are concerned with economic development and redevelopment. Many of these schemes (for example, theatre refurbishment) have implications for the arts and are thus of some concern to the DCMS. The absence of a regional voice for the Department during the grant allocation process means that there is only a limited role for it, making liaison at this level of some importance for the achievement of Departmental goals.

The relationship of the DCMS with local authorities is also of prime importance for the work of the Department as it is local government that has the major role in the actual direct provision of arts and heritage goods and services. This role is both through financial support (for example, subsidies to local theatres) and through providing museums and libraries. Rather than enter into discussions with individual local authorities the DCMS tends to undertake its inter-organisational activities via the

medium of the local authority associations, and, in particular, the Local Government Association (LGA).

The last of the major channels for inter-governmental communication with which the DCMS is involved lies in Europe. This is undertaken through the Council of Ministers of the European Union, where the Secretary of State for Culture, Media and Sport meets with counterparts in European Union member-states, and through the Council of Europe, with its much larger membership. The European Union has the potential to become an increasingly significant forum for the development of cultural cooperation and funding programmes since the signing of the Maastricht Treaty which, for the first time, extended the scope of the Union to matters of cultural policy (see Scott and Freeman, 1994), although the extent to which this is likely to develop from potentiality to reality is open to question (see Chapter 8).

A further forum for inter-organisational liaison lies in the various Partnership Schemes with which the DCMS is involved. These Schemes are a mechanism for both encouraging private sector investment in the activities of the Department, and for allocating various grants for heritage projects. In terms of the arts the most significant of these Schemes is the National Heritage Pairing Scheme for the Arts (until 1995 this was known as the Business Sponsorship Incentive Scheme) which generates around £8million each year in business support for the arts.

At this level liaison starts to spill over into the next functional role of the DNH which is sponsorship. This activity is actually made up of two distinct roles. The first is financial support for the organisations attached to the Department, such as the ACE and the national museums. The second is concerned with the role of the DCMS in supporting the cause of heritage, the arts and sports. This latter role involves the Department in acting as an advocate during the policy process, and in encouraging what it sees as good operational practice. In this respect it is enlightening that the DCMS sees a key part of this sponsorship role as being to 'encourage all the bodies it sponsors to pursue and exploit commercial opportunities wherever they exist' (Department of National Heritage, 1996, p. 22).

Given the tradition in the fields of the arts for the 'arm's-length' relationship to be seen as being of a special status to

guarantee the independence of artistic questions from political ones it might be expected that this form of sponsorship would be relatively light. How true such a supposition is will be discussed in the next chapter.

The DCMS is also concerned with attempting to encourage a widening of access to the range of goods and services for which it has overall responsibility. To undertake this role it offers a great deal of guidance, and some financial support, to, primarily, local providers of the arts.

The most directly 'hands on' activity for which the DCMS is responsible lies in providing protection for heritage sites within Britain – ranging from historical sites, such as Stonehenge, through to listed buildings, such as 1940s holiday chalets at Butlin's in Skegness. This role accounts for some 20 per cent of the overall budget of the DCMS, and is comparable to the proportion of the Departmental budget given to the arts (see Table 3.1).

A major part of the coordinatory role that is undertaken by the DCMS lies in ensuring that standards of accountability and financial probity are maintained by the range of bodies that it sponsors. As so much of the direct work that the Department is responsible for is actually carried out by the quangos that are sponsored by it these are meant to be important safeguards for the protection of the public interest.

The final activity that is undertaken by the DCMS is concerned with managing the National Lottery, not least because so much of the money that is generated by the lottery is spent on goods and services that fall directly within the ambit of the Department itself. The DCMS claims that the extra funding available from the lottery is 'additional to, rather than a replacement for, public expenditure' (Department of National Heritage, 1996, p. 47). While the running of the lottery is undertaken by a private company (Camelot), and its regulation is undertaken by an independent Commissioner (Oflot), the distribution of the actual funds themselves is overseen by the DCMS, either directly, in the case of the Millennium Commission (which has been headed by the Secretary of State for Culture, Media and Sport), or indirectly through bodies sponsored by the Department (for example, the ACE and the Sports Council).

The Arts Councils

The second major organisational force in the world of the arts is to be found in the three regionalised Arts Councils (ACs) for England, Scotland and Wales. These were created by the splitting up of the ACGB in 1994. Prior to this date the ACGB operated with formal sub-committees for Scotland and Wales. These sub-committees were effectively independent agencies in terms of how they operated and this was recognised with the formal devolution of power that their reconstitution in 1994 embodied.

The significance of the new Arts Councils lies not so much in the amount that they spend, although this is considerable, as in the fact that they are single entities. Table 3.2 demonstrates that in terms of total expenditure on the arts in Britain the Arts Councils are not the largest contributors to this field of policy. However, the size of their financial contribution is effectively larger than this implies as the Arts Councils operate on a larger geographical scale than most of the other contributors to the arts. This greater scale means that they are capable of making much larger individual grants to arts organisations, individuals and activities than can be undertaken by, for example, local authorities which have much smaller budgets to deal with.

The basic functions of the Arts Councils are to develop and improve the knowledge, understanding and practice of the arts; to improve accessibility to the arts; and to liaise with other public and private organisations concerned with the arts.

In practice the three ACs are a focal point for the arts. Their central location within the overall structure of public support for the arts ensures that they operate as a key element not only for public funding of the arts but also for providing whatever policy direction actually exists for them. Effectively all of the other providers of support for the arts in Britain undertake their roles in the shadow of the ACs, and their effectiveness depends, to a large extent, upon the role that the ACs adopt towards them.

To this extent the role of the ACs as central coordinatory agencies is possibly the most important one that they have. While the ACs have a larger geographical scope, and greater funds available to them, than do other actors within the system (except, of course, for the DCMS) what occurs within the field of public

Table 3.2 Expenditure on the Arts in Britain, 1993–94

Box Office Receipts	38%
Department of National Heritage	16%
Local Authorities (Arts)	14%
Arts Council of Great Britain	11%
Local Authorities (Museums)	9%
Business Sponsorship	4%
Regional Arts Boards	3%
Donations/Foundations	3%
British Film Institute	1%
Total expenditure	£1291 million

Source: National Heritage Committee, 1996, p. vii

support for the arts is dependent upon the choices and activities of a wide range of participants. These other contributors towards public support for the arts commonly operate in the gaps that are left by the ACs themselves. To ensure that the aims of the ACs are actually met a multi-organisational approach is a necessity, otherwise the coordination of a coherent structure for arts support would become impossible.

The fragmented nature of the arts world – consisting as it does of a plethora of public, private and voluntary organisations – requires the existence of a coordinating mechanism to ensure that policy objectives can be met. These objectives are themselves created through political choices but generally require both some notion of economic efficiency to avoid resource duplication and the misallocation of funding, and some sense of social equity or justice to ensure a truly national spread of arts support. The function of the ACs, as the only organisations within the system that have a coordinating remit, therefore requires them to square the circle of two conflicting requirements: on the one hand, resources must be utilised in terms of what is economically efficient and effective, and, on the other, these same resources must be used for purposes of social efficiency and effectiveness. As these two demands require different patterns of resource usage for their fulfilment the co-ordination role of the ACs is effectively as doomed to failure as are attempts to square circles.

The extent to which the ACs could overcome the contradictions that are built in to the arts support system and actually provide a coherent approach to the arts remains to be seen (see Chapter 5). What is evident, however, is the fact that the coordination role of the ACs is something of a poisoned chalice. The difficulties that the ACs face in developing a coordinated arts provision strategy are multiplied by the lack of formal powers that they have been given in attempting to fulfil this role. While the successive Royal Charters make cooperation between arts and other public and private organisations an important element of the work of the ACs there is no element of compulsion on these other participants to actively work with them, nor, indeed, for the ACs to actively encourage such cooperation in the first place.

The weaknesses that are built into a system that encourages rather than mandates cooperation amongst the contributing organisations to arts support implies that the ACs must themselves be weak. Such a view, however, seriously underestimates the centrality of the ACs. The sheer financial muscle that the ACs wield within their respective domains guarantees their significance for a whole host of arts-providing organisations as their support can mean the difference between survival and failure, as the debates in the 1980s and 1990s about financial support for London orchestras and the Royal Opera House have continually stressed.

The central position that the ACs hold within the organisational framework for the arts in Britain has been the subject of increasing criticism over recent years. This criticism has tended to focus either upon the stultifying effect that the ACs are claimed to have had on artistic production through its bureaucratic nature (Pick, 1991), or upon the interference that the ACs represent in terms of the workings of the market-place for arts support, particularly through concentrating such support on large companies and cities (Sawers, 1993). Consideration of these issues needs, however, to be undertaken in the context of the broader changes signified by commodification, and will be discussed in Chapter 5.

The Regional Arts Boards

The RABs were established as a result of the Wilding Report (1989), which was established to review the relationship of the ACGB with the then-existing RAAs. The development of the RAAs to

provide some form of intermediate organisation between the centre and the localities was a direct consequence of both the pattern of expenditure that the ACGB had developed during the 1950s, particularly following the closure of the ACGB's regional offices between 1952 and 1955, and the limited scale of resources that local authorities had available to them.

Harris (1970, p. 91) has argued that by the mid-1950s

> no regional authorities existed which could be utilised to promote and coordinate cultural activities throughout larger areas of the country. As a result a new type of organizational entity *had* to be created (emphasis added).

The RAAs were the organisational response to this perceived need and developed in a piecemeal fashion from the 1950s onwards (see Table 3.3). In form they differed between those which were originally established as loose consortia of arts-producing organisations, and those which were established primarily by local authorities, usually in conjunction with other interested parties such as local arts producers and businesses.

These latter became the dominant model for the RAAs by the end of the 1960s, helped by support from the new Minister of the Arts in the form of official statements and promises of increased funding for the ACGB to financially support them (HMSO, 1965, pp. 5, 11, 17). This local authority-dominated form of RAA was intended to pool the resources of smaller organisations and to provide for the regional development of arts provision (Evans and Taylor, 1994, p. 559).

The domination of the RAAs by the local interests that had established them, principally local authorities, had serious consequences for their ability to achieve national aims as their focus was more localised or, in some areas, parochial in nature. This, when combined with their perceived weaknesses, particularly in relation to their funding, meant that they were limited organisations in terms of what they could achieve by themselves. The Wilding Report (1989) proposed a number of changes to the regional system for supporting the arts, both in terms of policy coordination between the tiers involved, and in terms of the financial and managerial division of responsibilities between them.

Table 3.3 Date of Establishment of the Regional Arts Associations

Greater London	1966	South-East	1973
Southern	1967	South-West	1956
West Midlands	1970	East Midlands	1969
Yorkshire	1969	North-West	1967
Merseyside	1968	Northern	1961
Eastern	1971	Lincolnshire and Humberside	1964

The final result of the Wilding Review was the creation of ten RABs in 1990. Their membership, of between 12 and 18 members, saw a marked reduction in local authority dominance, with only one-third of their membership now being appointed by local authorities. The remainder are appointed by a selection committee made up of the RAB Chair (who is, in turn, ultimately appointed by the Arts Minister) and vice-Chair, and the RABs Chief Executive, together with the ACE Secretary-General (Beck, 1995, p. 26).

The precise arguments around the establishment, the findings and the final results of the Wilding Review are considered in Chapter 6. A brief mention of them at this stage is, however, important for an understanding of precisely what the RABs now do. The Wilding Review was concerned with four major areas: accountability, funding policies, administrative efficiency and administrative economy (Beck, 1989, p. 14). Within these it was argued that the then structure of support for the arts produced conflict and inconsistency in policy terms as a consequence of the lack of coordination between the national and regional tiers that had been a result of the lack of mandatory consultation between them.

The resolution of this problem was to be achieved by unifying the overall structure of support for the arts, by devolving responsibility and funding for much of the arts to the regional level, and by shedding responsibility for purely local projects altogether (in the assumption that these would then be picked up by local government). The proposed form of subsidiarity that these proposals contained have been argued to imply an even greater concentration of support on 'orthodox' forms of arts provision and a loss of the potential to develop local arts provision (Beck, 1989, pp. 16–17).

In practice the original recommendations of the Wilding Report never bore fruit, largely as a consequence of a failure to reach a consensus anywhere within the funding structure on precisely how to reallocate responsibilities. The compromise solution that developed did lead to a greater unification of the system and some devolution of expenditure but neither of these was in the form that the major participants (the DCMS, the ACGB and the RAAs) wished. The end result has been that the RABs have a number of rather vaguely expressed responsibilities to fulfil. In brief, these consist of: developing a diversity of artistic and cultural enterprises within their geographical areas; funding arts organisations and individual artists at a regional and local level; and providing training and advice to improve business skills in arts organisations.

Individual RABs have fleshed these out in different ways but are generally agreed as to what they should be doing in terms of supporting the arts. Thus, the East Midlands RAB has a general aim of enriching life in the East Midlands by providing opportunities to participate in and enjoy the arts. This aim is to be achieved by promoting artistic quality, increasing access to the arts, developing local arts economies, and by operating effectively to meet these ends. The key tools to do this are through the provision of direct funding, advice, expertise and information to individuals and organisations within the region. South West Arts, on the other hand, have the general aim of raising the quality of the arts in the South West and making them available to the widest possible audience. This is to be achieved by ensuring choice, availability, quality and relevance to the local populations that are covered. The key tools for this are through the provision of information, advice, advocacy and funding for organisations and individuals.

The RABs are funded from a number of sources, but primarily by grants from the ACE. Other sources include the Crafts Council and the British Film Institute, as well as the local authorities that fall within their area. A small amount of funding is also obtained from the private sector in the form of sponsorship. The dependence of the RABs on financial support from the ACE (and formerly of the RAAs on the ACGB) has led to much debate about the appropriate relationship between the two that should

exist. This debate was heightened during the aftermath of the Wilding Report which, in principle, supported a greater devolution of Arts Council monies to the regional and local levels leading to something of a crisis of confidence in the role of the ACE as far as the RABs were concerned (see Chapter 6).

In practice the limited amounts of money that are available to each RAB severely constrains the extent to which the RABs can operate effectively in achieving their proclaimed aims. Even so they are still in a better position to provide support to the arts than are the local authorities within them, given that they have both a wider geographical spread and (relatively) greater resources than are available to any except the largest local authorities.

When these limits are taken into account the RABs appear to be the distinctly poor relations of the ACE (just as the RAAs were to the ACGB). The changing system that has developed from the mid-1980s onwards, however, implies that the regional tier within England is likely to become an increasingly important element in the overall organisational universe that exists for supporting the arts.

The British Film Institute

The British Film Institute (BFI) was established by Royal Charter in 1933 – well in advance of the ACGB – and is the oldest of the major quangos associated with supporting the arts in Britain. The general aims of the BFI are to 'promote appreciation, enjoyment, protection and development of moving image culture throughout the United Kingdom' (BFI, 1995, p. 9).

These aims are met not only through the forms of support that are common in the rest of the world of artistic production but also through a role in the direct production and distribution of film and video. Thus alongside the usual types of support of exhibition, preservation, conservation, education, publishing and research that can be found in the work of the ACs and local authorities, the BFI also directly funds and supports the production of film, video and television in a way that is not found elsewhere within the system of support for the arts.

Equally unlike other areas of support for the arts the BFI is less dependent upon direct state financing. While approximately

Table 3.4 British Film Institute Expenditure, 1987–95

1994/95	10 578 800
1993/94	10 217 900
1992/93	11 464 600
1991/92	10 448 500
1990/91	9 815 600
1989/90	10 228 700
1988/89	12 560 100
1987/88	11 270 300

Notes:
1. All figures in 1978/79 prices.
2. All figures rounded to the nearest £100.

Source: British Film Institute, *Annual Reports*

50 per cent of the BFI's income is derived from a grant from the DCMS, the rest of its income is generated through trading activities ranging from the South Bank cinema complex and the Museum of the Moving Image, through to publications and film distribution.

The lack of dependence on a single source of funding has meant that the BFI has experienced a somewhat more rocky financial history than most other parts of the arts support establishment with periods of both growth and decline in expenditure in recent years (see Table 3.4). In this respect the BFI, which is the closest part of the public world of arts support in terms of operating in a commodified environment, has also been the most subject to the general economic climate of the time.

As with the other parts of the organisational network for arts support the BFI is largely constrained by the relatively small amounts of money that it has available. The expenditure of the BFI in real terms in 1994/95, for example, at just over £29 million would not have paid for a single Hollywood blockbuster. Within these limits, however, the BFI is an active participant in supporting a wide range of activities, including the provision of grant-aid to the RABs. As such it would be a mistake to discount the BFI when considering the overall structure of organisational support for the arts in Britain.

Table 3.5 Per Capita Expenditure on the Arts by Local Authorities, 1994–95

Inner London Boroughs	£2.28
Outer London Boroughs	£1.46
Metropolitan Districts	£1.43
County Councils	£0.31
Welsh County Councils	£0.48
District Councils	£0.74
Welsh District Councils	£0.33

(*Source*: CIPFA, 1995)

Local government

As Table 3.2 has illustrated, local authorities are the third largest source of financial support for the arts after box office receipts and (at the time) the DNH, providing in 1993–94 some 23 per cent of all expenditure on the arts in Britain. Within this total, however, it must be stressed that over one-third of this expenditure takes place on museums and art galleries, rather than on the living arts themselves. Even so local government, in total, spends more on the arts than do the ACs, and three and a half times as much as is raised by business sponsorship.

The difficulty with this is that there are major inequalities in how this expenditure is distributed. Large, urban, authorities not surprisingly spend far more on the arts than do small, rural, ones. In effect there are elements of economies of scale present within the system that mean that urban authorities spend not only more but disproportionately more than do their rural counterparts (see Table 3.5). A major reason for this is that spending on the arts is a discretionary function for local authorities in England and Wales, rather than a statutory duty, as it is in Scotland and Northern Ireland (see Audit Commission, 1991, p. 10 for the legal basis for this expenditure). As such a willingness to spend on this policy area depends not simply on the size and geographical location of the organisations that are involved but also on the benefits that are believed to accrue to areas from such expenditure. The crude economic argument about the impact of the arts on local economies (see Myerscough, 1988) implies major benefits in terms of local employment and secondary expenditure through multiplier effects from investing in the arts.

As it is only larger local authorities that are really in a position to benefit from such an investment it is only to be expected that it is these same authorities that are both willing and able to make the necessary expenditure that is required.

This idea has, of course, been given an implicit boost by the squeeze on local authority expenditure that has been taking place since the mid-1970s: larger authorities are more likely to be able to find the resources to support the arts as a consequence of their larger budgets. At the same time, the squeeze on expenditure has meant that there has been a tighter rein exercised over discretionary than over statutory expenditure – which *must* be undertaken and therefore has a greater political weight attached to it when expenditure decisions are to be made.

In terms of the arts themselves the major issue concerning local government intervention lies in the relatively small sums of money that are available to even the largest local authority for expenditure in this area. This, of course, is a major reason why the ACs are in such a dominant position within the world of arts support as they form a single, relatively well-endowed, source of potential funds for artists and arts organisations. The consequence of this is that the local government arena, while collectively large, is individually fragmented, and ranges from the relatively affluent to the relatively poverty-stricken. The result of this is that there is an equally fragmented approach by individual local authorities to supporting the arts. While this area is a discretionary one there is still a great deal of room for local authorities to manoeuvre within. How large this space for action actually is can be illustrated by reference to the sorts of activities that local authorities undertake in terms of supporting the arts.

Such practical support ranges from the provision of grants to individuals and groups, the direct provision of buildings for performances and the development of 'cultural industries quarters', through to providing training and advice for arts organisations, the development of city marketing strategies, and arts and cultural policy documents for local areas.

Clearly the role of local authorities in supporting the arts is far wider than that of the other major organisational participants in the field, incorporating elements of both strategic planning and direct provision that are only loosely present in the other

organisations elsewhere within the system. How individual local authorities undertake these roles will be a consequence not only of the financial resources that are available to them but also how the internal politics of these organisations operate (see Wilson and Game, 1994, Part 2).

To this extent the arts become, once again, a political subject in both the broad and narrow meanings of the term. Choices about the allocation of resources to what is a discretionary service involve the exercise of political judgements about the scope and purpose of this form of expenditure when compared with competing demands. These judgements are themselves influenced by ideological predispositions towards or against certain forms of action. Thus the local government arena is one where the practical politics of managing the arts is most evidently present within the overall system, particularly given the fact that it is also the only part of the arts support system where party politics is *expected* to have a direct effect on decisions about the arts and arts support.

Given the existence of several hundred individual local authorities in Britain it is not surprising to find considerable variation and diversity within the system as to how the arts are dealt with. As a broad generalisation the spatial inequalities in arts provision are almost inevitably the consequence of the lack of any coherent national strategy or policy for the arts. By leaving this policy area in the hands of local government local choice becomes a significant factor in how well or poorly the arts are catered for. Thus to blame local authorities for their attitude towards the arts is rather to miss the point. What is important for the arts are the local choices that are made (or not made), rather than the local government system as a whole, with some local authorities providing high levels of support for the arts and others providing little if any.

Certainly there have been attempts by some local authorities to adopt an innovative approach towards the arts that stands in marked contradistinction to the less active approach adopted by others. Examples of such innovation can be seen in the development of cultural industries strategies in the 1980s (Greater London Council, 1985) or the use of ideas of cultural planning in the 1990s (Bianchini, 1991). These interventions, however,

have been taking place in something of a policy vacuum as far as national strategy is concerned, notwithstanding the role of the DCMS and the ACs in this field, where the development of such a strategic role has been limited, to say the least.

Local government, as a whole, is therefore a key actor in the field of supporting the arts, but the role that it plays is limited as a consequence of the competing demands for expenditure that must be managed within local authorities, the spatial inequalities that exist within the system, and the absence of any clear framework for policy at the national level.

The National Lottery

The National Lottery began in November 1994. The money that is raised from the sale of lottery tickets and scratch-cards, after prizes have been distributed, is divided between six 'good causes'. These six are the arts, sport, national heritage, charities, education and employment and the Millennium Commission. Each of these receives 16.67 per cent of the available money. After 1 December 2000 no further money will go to the Millennium Commission and the other areas will each receive 20 per cent of the available money (see also Chapter 5).

In the first year of operation of the lottery the arts had over £250 million to distribute. This money was given to the arts within Britain according to population size, such that each national area received a 'fair' share. This allocation meant that England received 83.3 per cent of the total, Scotland 8.9 per cent, Wales 5.0 per cent and Northern Ireland 2.8 per cent (Hurd, 1995, pp. 19, 75).

The actual distribution of funds to the arts has been delegated to the four ACs (the ACE, SAC, ACW and the Arts Council of Northern Ireland – the ACNI). With the exception of the ACNI each of the ACs has established a separate committee to take responsibility for the allocation of money to projects and schemes. In England and Wales these committees can only make recommendations to the full ACE and ACW, both of which retain the power of ultimate decision. In Scotland the committee makes all decisions on bids of up to £100 000 but only makes recommendations to the SAC on sums greater than this.

Originally the money from the National Lottery was only to be made available for capital projects. Exceptionally revenue funding could also be considered where the need for it was a direct consequence of capital expenditure already supported by Lottery funds and where such capital projects could not be completed without this aid. In principle, at least, the Lottery was not meant to take the form of a supplement to, or replacement for, revenue funding from other sources. Equally National Lottery money was not expected to be the only source of funding for the projects concerned. All bids for Lottery money for arts projects must show an element of funding from 'partnership' deals with other organisations or sources. Thus, theatres already receiving AC money could not use this money to contribute to capital works that were to be supported by Lottery funds, although they could use other monies to do so.

The limitation on what lottery money could be spent on has proved to be something of a problem for arts organisations, and recent debate has centred on broadening the sorts of activity that could be covered by this source of funding. In particular a move towards an element of revenue funding from lottery funds has been indicated (see Chapter 5).

Apart from this problem the other major complaint about the use of Lottery funds has lain in a perceived metropolitan bias in grant allocations. To some extent this came to prominence with the award of £75 million towards the renovation of Covent Garden but the underlying problem of the dominance of London in terms of support for the arts from public (and private) sources has been a long-standing one. In the case of the Lottery there appears to be some truth in this picture. While over 90 per cent of successful Lottery applications came from outside London, the capital actually received over 42 per cent of the total money allocated to the arts in the United Kingdom between November 1994 and December 1996 (Department of National Heritage, 1997, p. 73). Whatever the underlying reasons for this disparity of allocation there is no doubt that London appears to be privileged over the rest of the country – at least as far as arts organisations themselves are concerned.

The shifting fortunes of the Lottery, and how the money that is available from it is allocated, should not detract from the point

that it has become an important element of the funding regime for the arts, and is likely to remain so for the foreseeable future. The significance of the Lottery extends, however, beyond this point and raises important questions about how the arts should be funded in the first place, and about the extent to which commodification has become increasingly relevant to the arts. Both of these are issues that will be returned to in later Chapters.

National Heritage arts sponsorship

The final element of public support for the arts in Britain lies with the National Heritage Arts Sponsorship Scheme: the Pairing Scheme for the Arts. This was established in February 1995 as the successor to the Business Sponsorship Investment Scheme (BSIS), which itself was established in 1984. The intention of these schemes was to increase private-sector sponsorship of the arts by providing administrative and marketing support and extra public funds with the intention of encouraging long-term public–private partnerships in this field.

Originally BSIS was run by the Association for Business Sponsorship of the Arts (ABSA), with all administrative costs being underwritten by the state. Apart from encouraging a greater level of business sponsorship *per se*, the scheme also provided matching funds for each donation by new sponsors and some extra financial contributions for established sponsors. By 1997 public investment in the scheme was running at just over £5million and business sponsorship within the scheme at £10.6million (Department of National Heritage, 1997, p. 34).

As such this scheme is only a relatively small component of total expenditure on the arts in Britain and, as with the lottery, such sponsorship has a clear bias towards London. It has produced, however, an increasing element of support from the business community even if this still remains at a very much lower level than in the United States where business sponsorship is much more widespread and contributes far more money for the arts. What was significant, however, was the fact that British governments have sought to increase business sponsorship of the arts much more strongly than was previously the case, and have sought to encourage the development of a mixed-economy for arts support since the early 1980s. The importance of this development for the commodification thesis will be discussed in later chapters.

Conclusion

This Chapter has been concerned with identifying the major actors that are concerned with providing an element of public funding to the arts in Britain. Quite clearly the organisations that are concerned with this activity have very different purposes behind the activities that they undertake and are concerned with different aspects of the provision of the arts, from simple financial assistance through to the direct provision of artistic events themselves.

An important consequence of this is that there are marked geographical disparities in support for the arts within Britain. This extends beyond the significance of London as a magnet for the attraction of financial support. In Scotland, for example, Glasgow and Edinburgh form much the same sort of financial nexus as London does for England. Whether the process of commodification has accentuated this metropolitan bias – and if so by how much – remains to be seen. Before examining this, however, it is important to analyse the way in which these organisations operate in practice as this fact may provide some of the explanation that is desired.

The range of problems that are associated with the different organisations that are concerned with public support for the arts also needs to be considered as, equally clearly, these vary considerably between the organisational actors that are involved. The extent to which these problems are approached has important implications for the commodification thesis, not least in terms of whether there is an increasingly common set of organisational responses to varying organisational problems.

Thus the next stage is to consider the broad outlines of how the network of organisational actors concerned with public support for the arts operate, and how power is distributed within the system. By investigating this some clues as to what has been occurring over the last 20 years in the politics of the arts can be picked up.

4
The Network for Arts Policy in Britain

Introduction

This Chapter is concerned with identifying how power is distributed within the organisational universe that is responsible for supporting the arts in Britain. While Chapter 3 has identified a large number of public and quasi-public organisations that are active in this policy area the relative balance of power between these institutions has only implicitly been considered. To discover where the real locus of power in the field of the arts lies it is necessary to move beyond the formal organisational analysis that has been used so far to consider the behavioural dimension of how this policy area operates.

Such a move is important as the actors involved in the formulation and implementation of arts policy are far more numerous than Chapter 3 considered. In addition to the public sector organisations (and their associated personnel) identified in that Chapter there are also the host of organisations and individuals that actually produce works of art – whether of 'high' or 'low' cultural significance. These actors cover both the public and the private sectors and operate in markets that range from the fully commodified (as for example in publishing or record/CD/tape production) to the not-quite-so-commodified (as in the case of museums and art galleries).

In analysing how the world of the arts operates the emphasis in this Chapter rests on the publicly supported arena, although reference to the private sector will be included. This emphasis

rests on the point that whatever form of public arts and cultural policy exists in Britain it is centred in the activities and choices of public organisations and actors. The decision to exclude private-sector organisations and actors from the process of formulating public policy in this field is as much a policy choice as would be their inclusion, and indicates the dominant strategies that power-holders in the field of arts policy are pursuing.

Power in the arts

The relative reluctance of the British state to become actively involved in the field of culture and the arts (see Chapter 2) has not prevented the appearence of a fairly well-developed public-sector organisational network to manage relationships concerned with these policy areas. How this network is organised and operates in practice is determined by the dual factors of structure and agency. These elements can be seen to be the key features of all organised activity within societies (Giddens, 1984) and both affect and are affected by the distribution of power within which they are located. This is no less true for the case of the arts as it is for any other area of policy, either public or private. What needs to be considered, then, are the forms of power that are used in the field of arts policy and how these are utilised by various groups and individuals within this policy area.

Power itself can take different forms and can be utilised in a variety of ways. It can be positive, negative or ideological in nature (Lukes, 1974), and it can be used as brute force, blackmail, argument, persuasion or coercion, amongst many other strategies. How these two features of form and manner combine indicates where power is to be found within any given setting. To illustrate this some further discussion of the forms of power that are available to political actors is necessary to differentiate between them and to indicate their significance for the field of arts policy.

Lukes's (1974) discussion of the 'three dimensions' of power implies that power itself is not a single entity and that it can be used for different purposes. These purposes are contained within the forms of power that are being discussed. The first form – positive power – is concerned with either achieving particular

ends against opposition to those ends, or getting individuals and groups to do things that they would not otherwise do. The second form – negative power – is concerned with either stopping groups and individuals from achieving their own ends, or manipulating the agenda of policy debate to prevent alternative ends to the present *status quo* being considered. The third form – ideological power – is concerned with creating the conditions within which groups and individuals are manipulated so that they are not even aware of what their own ends may be. In this case these groups and individuals are constrained to operate within the parameters that the power holders ordain, with these parameters having a strong ideological element to them.

The holders of power in any given situation are thus in a position to control the activities of others in the pursuit of their own perceived interests (whatever these may be). How they achieve such control can be analysed through a wide variety of models of political behaviour from functionalist to marxist to game theoretic. What is normally implicit in such analyses, however, is the argument that for power to be used effectively it must be bolstered by being legitimate, particularly in the case of liberal democratic regimes, such as Britain, which presuppose such legitimacy to be present.

Without legitimacy power will always be tenuous. Legitimacy assumes that the groups and individuals that wield power have a right to do so. This right can, in Weberian terms, derive from authority that is, in turn, derived from principles of charisma, tradition or legal-rationality. For effective usage in complex social settings power is concentrated in organisational forms. In practice, power in modern societies is organised in bureaucratic structures which attain their legitimate right to exercise this power through their legal status.

The fragmentation of the organisational universe that exists within modern societies means that this legitimate right to exercise power and authority over other actors is as equally fragmented. The view of the nature of this dual fragmentation has important implications for the analysis of how power is meaningfully divided, and the roles that are available for its use between the competing interests that are assumed to exist within society (Gray, 1994). Clearly there are significant differences between accepting a

pluralist, elitist, marxist or new-right view (or any other) of how power is actually distributed within society as a whole or within individual policy areas – particularly as this distribution need not be the same in each case. In the present study of the arts concentration is directed in the first instance at how power is distributed within the arts policy sector rather than at the societal level. Of course these two levels overlap and affect each other as no policy area is entirely divorced from the societal context in which it operates, but what needs to be clarified in the first instance is how power is actually distributed within the organisational universe that makes up the arts.

To undertake this examination analysis must be made not only of the organisations that are involved but also of the types of power that they have access to and the resources they possess that enable them to exercise their particular power effectively. Following on from this the tactics that they employ in the actual exercise of power then need to be considered before, finally, relating what is happening at the level of the arts to what is occurring at the broader societal level as well. This last is clearly important in terms of the analysis of commodification that is being undertaken as commodification implies that events that are exogenous to the arts are of prime importance for understanding what is taking place within this policy sector.

Networks and the arts

The existence of such a large number of organisations that have a responsibility for the arts as was seen in Chapter 3 implies that there must exist a relative fragmentation of power within this policy area. This fragmentation extends, however, beyond the simple head-counting exercise of how many organisations exist. The arts are further fragmented by the fact that the range of activities that are involved in the provision of the arts are extremely varied and are rarely located within a single organisational form. These activities can range from providing grant aid, to programming theatre seasons, to marketing, to managing local arts centres before the actual mounting of artistic events is even considered. Equally, sectoral differences between art forms (music, dance and so forth) can also generate further fragmentation such that the arts world resembles a patchwork quilt of locations of potential power.

This multiplicity of activities makes it easily understood as to why there are so many groups and individuals involved in the field of the arts. Alongside the public mechanisms of support there are also a host of individuals and organisations who are actively involved in producing the products of the arts marketplace: actors and theatre companies, dancers and dance troupes, musicians and orchestras, artists and galleries – all are involved in the production of the arts.

The mere existence of so many organisations, individuals and sectors means that effective coordination between them is difficult. The fact that each of these actors have their own fields of expertise and experience reinforces this problem, as does the fact that there is little in the way of the generic professional or technical dominance within the arts that can be found in the fields of, for example, medicine (Harrison *et al.*, 1990) or education (Raab, 1992). This lack of a dominant ethos within the arts as a whole effectively serves to isolate each part of the fragmented organisational universe that exists for the arts from other organisations, actors and sectors making the development of a coherent and coordinated approach to this policy area even more difficult to achieve.

This view of the arts could be taken to imply the existence of a large element of pluralism within the system. The organisational fragmentation that exists can be matched by the further fragmentation of forms of financial support that are available. Apart from the support that is provided by the ACs, the DCMS, the RABs, local authorities, the BFI and the National Lottery, there also exists the sources to be found in private sponsorship, royalties and box-office takings (amongst others). This multiplicity of available sources of funding is further reinforced by the absence of any single central government policy (or even multiple policies) that would serve to give direction to the arts as a whole.

Between them this organisational and funding fragmentation and the absence of a coherent national public policy for the arts, implies that there exists both a framework of competition between the participants who are involved for financial resources, for example, a range of alternatives that can be explored in the

search for such resources, and the possibility for the exploration of a variety of approaches and ideas to what the arts and arts policy in Britain should be concerned with in the first place. All of this is impeccably pluralist in tone, implying a wide range of actors, none of whom dominates the overall policy arena, and each of whom has the potential to achieve their differing ends through the exercise of power (Dahl, 1959). The extent to which the arts *is* pluralist in this way needs to be further examined, however, before such a picture can be simply accepted.

The superficial impression of the pluralist picture presented here is that there is some form of equivalence between the organisations and actors depicted. Power is assumed to be distributed, if not entirely equally between all of the participants who are involved, then equally not in such a fashion that any particular set of power-holders predominates over the others. Such a view can be argued to be misleading in terms of how power is actually distributed in the arts.

Within the fragmented organisational structure of the arts in Britain it can be argued that there is actually present a set of 'core' participants who form what is effectively a policy elite. Williams (1979), Hutchison (1982) and Beck (1992), for example, all argue that the Arts Council, in particular, is a highly elite organisation, with power concentrated in the hands of a relatively small group of actors. There is also evidence (Beck, 1992) that certain types of project and activity are more likely to benefit from public support from arts funding agencies than are other types of project, with a special emphasis being placed on building-based, 'high' cultural, projects. Further, Ministerial appointments to public arts organisations reflect a shared set of values that emphasise 'orthodox, conservative, artistic tastes' (Beck, 1992, p. 142). This power of patronage, supporting a set of dominant values that are shared by a small group of participants (see Gray, 1998), indicates that pluralism is actually unlikely to be found in the arts.

The reason for such a view rests on the assumption that the values that dominate within a policy sector will be a powerful weapon for the holders of power. The maintenance of these values can be used as a source for either getting other actors to do what is wanted of them (the first dimension of power), limiting

the room for allowable debate (the second dimension of power), or for manipulating the entire system along closed lines (the third dimension of power). If there does exist such a core of dominant values that are upheld by a small group of policy-active participants then a form of elitism or, alternatively, oligarchy is more likely to be in place than is pluralism.

Such a view, in turn, implies that the arts are strait-jacketed into a particular vision of their status and significance, with little, if any, room for manoeuvre by other participants in the process. At a local level (see Chapter 6) it could be argued that such a view is misleading as there exists a great deal of variation in terms of attitudes and beliefs about the arts, and a large degree of willingness to experiment with new ideas, schemes and projects. However, the limited resources that are available outside the financial nexus that is provided by the ACs means that such alternative visions and values are bound to be limited both in terms of the actual support that they receive and the geographical impact that they may have. Beck (1992) has further argued that the changes at the regional level following the introduction of the RABs have further limited the chance of real innovation as a consequence of the power of appointment being used to replace 'outsiders' to the dominant values of the system with 'establishment' figures who are likely to share the value system of the AC elite.

What results from such a view is a picture of the arts world that is characterised by the twin features of organisational diversity and value limitation. Between them these lead to an institutional pluralism in the arts but a behavioural elitism. Amplifying and making sense of this paradox is the next step to take.

The idea that there is a dominant set of values that provides a legitimacy for the exercise of power within the arts, and which serves to direct policies towards the arts along certain paths rather than others, is of key importance for accepting the idea of a behavioural elitism in this policy sector. What these values may be and whether they can actually be discerned in practical terms thus needs to be considered. The impact of such a set of predominant values in the arts then needs to be related to the fragmentation of the systems of organisation, funding and policy to show how institutional pluralism survives in such a system.

Finally, the extent to which these underlying values have changed in recent years as a consequence of changing societal, economic and political pressures needs to be assessed in the light of the commodification thesis, particularly as this thesis assumes that value change is an important component of the overall process of commodification itself.

One way to approach this set of themes is to make use of the ideas of network theory (Rhodes, 1988, 1990; Marsh and Rhodes, 1992). Network theory is essentially concerned with the processes of intermediation between interest groups and the state (Rhodes and Marsh, 1992, pp. 1–2) and assumes that there are regular patterns of group integration and interaction within policy areas. The network approach builds, in the first place, on a neo-pluralist analysis of power and its distribution (although see Dowding, 1995) and accepts that different policy areas will have differing patterns and methods of incorporating group interests into the policy process.

The precise pattern by which groups become enmeshed in policy networks, and the patterns of activity that are contained within them, have both been subject to a proliferation of typologies and terminologies to explain what is taking place in the field of group intermediation and incorporation (see, for example, Jordan and Schubert, 1992; van Waarden, 1992). The most popular version of network theory for the purposes of differentiating between different policy sectors, however, remains that of Rhodes (1990) as developed by Marsh and Rhodes (1992), and Marsh and Smith (1996).

In this work five distinct types of network are identified, based on their membership, the resources that they have available to them, and the interdependencies between the members that exist. These types of network range from a *policy community* with restricted membership, vertical interdependence and great stability, to an *issue network* with a large membership, limited vertical interdependence and great instability. Variations between the factors of membership, resources and interdependencies are seen as being of major importance for differentiating between methods of group intermediation, and as having major significance for the structure and operation of the policy process within different policy areas.

The model that is proposed accepts that there is a great deal of variation to be found in the composition of different forms of policy network, and it has further been argued that networks will themselves vary in terms of their relative strengths and influence in terms of policy outputs (Sharpe, 1985, p. 369). This variability has important implications for the relationships that exist both within and between different forms of network, not least for how individual functions will be managed and provided by the machinery of the state (Gray, 1994, chs. 6 and 7).

The fragmented picture of functional allocation and organisational involvement in the policy process that is presented in this view means that the specific context that is provided by individual policy areas requires a detailed spelling out of the institutional framework that is involved in each policy area, as well as a clarification of the complex pattern of inter-organisational relationships that underlie the management and provision of functions. Alongside this clarification of the *structure* of policy activity, however, a similar clarification of the *processes* of policy activity is also required, and it is only by joining these together that the full picture of policy networks can be discerned.

Jordan *et al.* (1992, pp. 4–19) have argued that the network approach is predicated upon a number of assumptions derived from neo-pluralist theory that do, effectively, provide such a link between structure and process. These assumptions can be summed up as:

i) policy-making is complex;
ii) state actors have limited autonomy;
iii) policy-making normally occurs within discrete policy areas;
iv) policy-making depends on mutual trust;
v) policy-making depends upon resource inter-dependence;
vi) there is a regular order behind policy-making processes;
vii) policy-makers seek to control and restrict access to consultation.

The overall picture that is then presented by this is that policy-making takes place within a structured environment, where different groups gain, or seek to gain, access and influence through their control over resources, and where the nature of group interaction within this environment is regulated through informal 'rules of the game' that are peculiar to each policy area.

Such a picture of the policy-making process is not exceptional

in itself, and it certainly captures many of the features of the process that have been identified in empirical studies. As such it would appear that the basic model has some element of accuracy about it. Certainly, the manner in which policy is made in agriculture (Smith, 1990), for example, does take a very different form from that which is found in Care in the Community (Hardy *et al.*, 1990).

Whether this accuracy is real, however, or is simply a by-product of the basic model that has been adopted is a matter of some concern. If the model is identifying a deep structure to the policy process then the possibility of a development of neo-pluralist theory is available. If, on the other hand, the model is inadequate in capturing the underlying reality of the policy process or is incapable of providing an adequate depiction of differing policy areas then a reappraisal of the model itself and, potentially, of the validity of the underlying neo-pluralist theory on which it is constructed becomes necessary.

In this respect the arts provide a useful example to apply network theory to. If this form of analysis can account in a satisfactory manner for the combination of behavioural elitism and institutional pluralism that seems to exist in the arts, particularly in the context of commodifying tendencies, then a great deal of knowledge about the distribution and exercise of power within this policy area can be derived.

The arts policy network

The range of networks that are available in network theory implies that different constellations of groups are integrated into regular patterns of interaction, serving different sets of interests, and with differing degrees of stability in, and restrictions on, their memberships within discrete policy areas. The extent to which these features provide a satisfactory picture of arts policy, both in terms of its structural composition and its behavioural characteristics is the issue to be discussed here.

In terms of the structural characteristics of the arts policy network it would appear that there are similarities between this network and the idea of an *issue network* (Gray, 1994, pp. 135–40). Rhodes and Marsh (1992, p. 14) argue that such networks are:

> characterized by a large number of participants with a limited degree of interdependence. Stability and continuity are at a premium, and the structure tends to be be atomistic.

Certainly the arts field does comprise a large number of participants, and the overall structure of the network tends towards atomism, with many of the participants entering and leaving the arena on, effectively, an issue-by-issue basis. In terms of the other structural characteristics, however, the picture is less clear as to the extent to which the arts fits the issue network label. In terms of the definition given above the extent to which interdependence is seen to be 'limited' depends upon what is meant by this word in the first place. In terms of active and direct control by some participants over others within the policy process for the arts, the lack of any sort of effective coordinatory machinery within the overall system means that there is only limited evidence to support such a directive picture. The ACs may well be in such a dominant position with regard to some of the organisations that they financially support but otherwise there is little effective control anywhere within the system, implying that limited interdependence may well be an accurate portrayal of the reality.

In the case of the ACs it could be argued that some of their client groups simply could not survive without the financial support that is made available to them. Certainly this argument was used about the funding of the major professional London orchestras in both 1970 and 1994 (on the former see Peacock, 1993, ch. 4). The life-or-death nature of such resource interdependencies for some of the participants in the arts means that a claim that issue networks are characterised by only 'limited' interdependence requires further clarification as for some participants the financial dependence that they have on other participants in the process is of central concern, and this goes far beyond any idea of 'limited' interdependence.

In addition to this problem there is also the question of the role that is played in terms of the arts by other organisational elements. The RABs, for example, while not being as financially powerful as the ACs, have been steadily pushed in the direction of developing a coherent approach (almost amounting to a

planning function – see Chapter 6) towards the arts in their areas that implies a more interventionist role in terms of their relationships with their clients.

In effect the question becomes one of whether there is 'limited' interdependence or an increasing amount of straightforward *dependence* within the arts. The commodification argument would expect to see an alteration of the relationship between the participants within the system as the emphasis on exchange-value rather than on use-value becomes ingrained. To this extent the fact that there is limited evidence of interdependency might in fact imply that the stage is set for the entrenchment of dependency relationships within the arts instead. If this were to be the case then the view that there is limited interdependence in this policy sector *may* be empirically accurate but only at the expense of missing the deeper significance that is contained in the changing patterns of interdependence that are taking place leading to increasing patterns of dependence becoming more common.

The organisational fragmentation of the arts policy area and the continually changing pattern of participants within any single policy debate could equally be taken as some form of evidence for the proposition that the arts network is characterised by the instability that is seen as a feature of issue networks in general. Such a view, however, once again depends upon the definition of stability that is employed.

The argument that the arts are dominated by a particular set of values that give rise to a behavioural elitism implies that stability, like beauty and contact lenses, lies in the eye of the beholder. Certainly in the arts the major, dominant, organisational actors have remained the same for many years, even if the relationships between them and their memberships have changed. The policy climate within which these actors are operating has also changed greatly, as the commodification thesis argues. In both cases the question of what stability and, conversely, instability actually means becomes important.

If stability and instability only refers to the organisational universe involved with the arts then the case for either being in force can be argued with equal conviction. If the picture of the arts operating with a central core of organisations and individuals which control the dominant values within the system is accepted then it can be further argued that stability is entrenched within the system. Outside this central core the mass of arts organisations are peripheralised and their stability or lack of it becomes largely irrelevant to the consideration of where power lies in the system.

Indeed the relative powerlessness of these peripheral organisations could be used as an explanation for the seeming instability that also exists within the arts. The inability to effectively influence the policy-making processes within the arts could lead to a rapid turn-over of potential participants as they realise the futility of their efforts when confronted with a dominant central elite. In this case a seeming instability in the membership that is involved in the overall system of managing the policy process for the arts hides a deeper level of stability within the system, with *this* stability serving as an effective explanation of the broader instability that seems to exist.

This consideration raises questions about another dimension of stability that a concentration on the organisational dimension leaves vague. This is concerned with the actual policy process itself. The view that issue networks are fragmented as a consequence of the instability of the group universes that inhabit them implies a degree of pluralism or neo-pluralism about how they operate. In common with pluralism and neo-pluralism the issue network label assumes that groups enter and leave the policy process on a selective basis, rather than being permanently engaged. This leads to a lack of stability and continuity in the policy process and implies a large number of participants – both actual and potential – for any single policy issue. In addition the assumption exists that these large numbers of participants are capable of having an effect on policy, even if not continuously as a result of their selective decisions about entry to, and exit from, the policy process.

As before, the existence of a core-periphery model for the arts casts some doubt on this picture. The central core of policy organisations and actors is, as noted above, relatively stable and through their control of values are capable of exercising a degree of power over the arts arena. The multiplicity of peripheral groups, on the other hand, are relatively unstable because of

their extremely limited ability to affect policy and the policy process. This, then, returns the argument to the previously reached position that the arts network contains elements of *both* stability and instability at the same time.

This consideration of the network approach has indicated that whatever else it may be the arts network is not a 'pure' example of the issue network idea. While it is possible to accept that there is an element of support for some of the ideas contained within this model, other parts of the reality of the arts network seem to run counter to the main, pluralist and neo-pluralist-inspired, line of the argument. These difficulties become more apparent when the behavioural dimension of the arts network is considered further.

Within the entire field of the arts there are variations of policy behaviour to be found. This may be taken as evidence that the arts network *is* fragmented and atomistic in nature, with differing patterns of activity being present in both specific policy and geographical locations. Such a conclusion, however, would be rather simplistic. Central government, for example, has attempted to steer arts policy along certain lines rather than others, and arts policy itself has a core of dominant interests that exist regardless of the specificity of policy issue or location, and it has elements of a relative organisational and group stability and continuity that overlie the fragmentation that exists. Further, there are regularised patterns of interaction between the participants in the process that is in opposition to the polycentrism that is implied by a simple acceptance of variations in policy behaviour.

In effect, the existence of a 'core' of participants in arts policy implies the presence of a form of structure that lies outside the fragmented and disjointed image that exists in the issue network category. The variations in the policy process that exist between differing policy issues and differing geographical settings do not detract from the presence of an internal coherence to the structure of the overall field of the arts. This structure effectively operates as a power location where all three forms of power – positive, negative and ideological – are exercised.

This internal structure is defined not by the pattern of group integration, stability (or lack of it) and interdependence that exists but, rather, by the patterns of policy activity that take place *within* the structure. By identifying elements of elitist or neo-elitist power structures that operate within the context of a particular set of structural constraints limits are set to the extent to which a fragmented, polycentric, approach to policy can be sustained. The fragmented organisational environment within which policy is made allows scope for policy variation to exist, but this scope is limited, for all practical purposes, by the continued presence of a dominant set of values within the system.

The consequence of this argument is that the appearances of pluralism and/or neo-pluralism in the arts policy area are potentially misleading. Such evidence that exists of these forms of policy activity must be understood in the context of the dominant structure of the arts network itself. This network appears to bear a greater resemblance to elitist/neo-elitist conceptions of the policy process than it does to other models (see Gray, 1994, p. 95).

The immediate result of trying to apply the issue network label to the arts in Britain is to present a picture of this policy area that is one of fragmentation and instability with variants of pluralism being dominant within the policy process itself. Such a picture can find some support for itself from the evidence. However, this evidence is limited in worth as a consequence of other evidence that points to a far more structured and stable system that is dominated by variants of oligarchic elitism.

Such a conclusion about the arts does not mean that the application of the issue network label is pointless. Instead it implies that there is more to the arts than a concentration on the numbers of participants in the policy process that it would indicate. The seeming contradiction that exists between an institutional pluralism and a behavioural elitism in the arts can be accounted for by concentrating on other dimensions of the policy process than simply the pattern of group intermediation that exists. The extent to which this is true depends upon a clarification of the overall structure of the arts network itself.

Values and ideology in the arts network

A leading assumption in much of the argument that has been advanced in this chapter to date is that there *is* a dominant set

of values within the arts that serves as some sort of ideological bench-mark against which policy is assessed. The commodification thesis sees ideological change as a major component in the move towards a new operational environment for public policy. As such the content of the dominant values within the arts, how these are changing, and the mechanisms underlying change are all important, not only for the description of the arts network itself, but also for the commodification thesis.

It was stated earlier in this chapter that the arts has no dominant technical or professional ethos that binds this policy sector together. It was also stated that the sector *does* have a dominant set of values that influences the manner in which it operates. The difference between these two claims lies in the fact that technical and professional groups have a well-defined core of theoretical and practical knowledge and evidence against which policy proposals can be assessed, whilst in the case of the arts such a core is lacking. As a consequence policy assessment is undertaken in the context of what is *believed* to be appropriate rather than in terms of what *is* actually appropriate.

Such a position automatically makes the arts political as the content of such beliefs is open to question and debate in a manner that is irrelevant to questions about, for example, whether a bridge is structurally capable of carrying traffic or not. This means that the core values underlying arts policy do not have the status of being open to appeal to an accepted body of theory and/or facts. Instead they are open to manipulation to support certain sets of interests over any others. Whose interests are served by the acceptance of certain values over others, a key political issue, therefore becomes important for an understanding of the arts.

It has been argued that the set of values that underlie the operation of the arts network is dominated by a set of elite interests. These interests and values serve to set the agenda within which possible policy options will be considered. To this extent the values and interests of the dominant elite within the arts serve as the basis for the creation of an *advocacy coalition* (Sabatier, 1988; 1996). This coalition is organised around a policy core of values which dominates the content of policy and the way in which policy is created, implemented and managed (Hann, 1995). In the case of the arts in Britain the advocacy coalition that can

be argued to exist is dominated by a small sub-set of the multitude of groups that make up the issue network for the arts. These elite groups are located within the major organisational actors that exist within the arts: the ACs and the DCMS. The values, therefore, that underpin the operation of the arts issue network must be looked for in these organisations.

Before examining these values, however, some justification for identifying these organisations as the core of the policy network for the arts must be given. It has been argued that the absence of any overall coordinating machinery for the arts is both a cause and a consequence of the organisational and policy fragmentation that exists within this policy area. What coordination does exist is provided by the ACs and the DCMS. The ability of these to effectively control the system is achieved by their central location in the funding system for the arts and by their functional and policy responsibilities within the system. The majority of funds that are directly allocated to the arts come from these two sources, and are used for purposes that they support. In absolute terms the ACs are the single largest financial allocator within Britain: even if in relative terms local government spends more in total, this total is divided between many individual local authorities.

Away from the ACs and the DCMS the organisational fragmentation of the arts system means that there is no comparable organisational power bloc that can match them. In addition the early establishment of the ACGB in terms of formal state intervention in the arts has allowed it to establish the parameters of policy debate from an early stage, leading to a preference for professional 'high' art, rather than for amateur or semi-amateur or 'low' art, to achieve primacy within the system (see Sinclair, 1995, ch. 3; Hewison, 1995, ch. 3; Witts, 1998, pp. 82, 96).

The size, financial muscle and longevity of the ACs have thus been a major set of factors in establishing them at the apex of the system of state support for the arts in Britain. The role of the DCMS, on the other hand, has developed more recently as a result of a reorganisation of the role of the central state in dealing with general cultural affairs. In this case the importance of the DCMS lies in its overall role in establishing the financial support that is made available and the more general role of

ensuring that there is some coordination, however limited, of arts policies. It is thus the centrality of the DCMS to the overall arts system that gives it its importance.

The other organisational actors, from local authorities and RABs to individual arts organisations, are unable to compete with the ACs and the DCMS in these terms, largely as a consequence of their limited size, resources and geographical scope. As a result there is no doubt that the ACs and the DCMS *are* the dominant organisational forms within the network for the arts and, as such, must serve as the focus for discerning which values are dominant within the system.

In discussing the values that these organisations adhere to it is important to differentiate between two sets of values that are of relevance: firstly, the underlying ideological beliefs that are held, and, secondly, the surface, 'practical', values that give effective meaning to these. In essence this is the difference between the meaning that is attached to the arts by the state (for example, which forms of art are worth supporting?), and the way in which these meanings are to be translated into practical policy activity (for example, how can this support be effectively channelled to art forms and art-producing organisations and individuals?). To this extent two different forms of values are associated with the arts and will be treated separately, even though they are part and parcel of the same overall structure of accepted values, with the latter arising out of the former. In terms of Sabatier's (1988; 1996) argument about advocacy coalitions the distinction between these two sets of values amounts to the difference between the core of beliefs that bind a policy network together, and the peripheral beliefs that concentrate attention upon how the core beliefs are to be operationalised.

A summary of the values that make up each of these sets includes, in the first case, an acceptance of the state's role in financially supporting the arts, a separation of the state from direct involvement with artistic provision, and a view of *why* the state should be involved. In the second case the emphasis is on ideas of excellence, access and administrative structure (Beck, 1993), systems of financial support, and a preference for professional and building-based art. The content of these two sets of values differs considerably and casts a great deal of light not only on the present arts network but also on how it has changed over recent years.

The core beliefs in the first set are long-standing ones that locate the arts within a framework of ideas that justify particular forms of state activity. Without an acceptance of some form of state intervention in supporting the arts then, clearly, nothing would ever be done except in the context of a market-dominated system of demand, supply and price. Since the establishment of an active role for the state in the immediate postwar period (see Chapter 2), it has become accepted by all of the major political parties in Britain that this role is one that they *should* undertake, even if there are practical differences between them as to *how* it should be done.

The separation of the state from a direct role in overseeing artistic provision is, of course, a marked difference between Britain and its European neighbours and can be traced back, to some extent at least, to the different socio-political contexts in which state intervention developed, with other European countries being more open to direct state involvement in the arts. The acceptance of the arm's-length principle for managing the arts in Britain is a direct consequence of this belief.

In practice, however, a distinction needs to be drawn between the central and the local state in this context. While the former has always striven to keep itself remote from the actual creation of artistic products, the latter could be seen to be perhaps less so, given its direct role in funding the arts through its own internal mechanisms rather than via quangos and qualgos. Even here, however, there has still been a reluctance on the part of the local state to participate in the production of effectively state-sponsored art. Instead the local state has operated in a similar fashion to the central state, providing subsidies and other forms of support without attempting to dictate *what* art should be produced in return. Thus, the basic value of separating the state from direct involvement in artistic production has been maintained.

The last of the major values involved in this policy core of values concerns the reasons for providing state support in the first place. Bennett (1995) has argued that a number of distinct motivations lay behind the British state's involvement in the arts, particularly such ideas as national prestige and the 'civilising'

and educative effect of the arts, to which can be added the role of the state as a moral arbiter for the nation. All of these ideas have a long history in the British context, dating back to the eighteenth century (Brewer, 1997), and while they have been under increasing pressure as a justification for supporting the arts they still have a lasting significance for the present.

Alongside these older justifications, however, there has developed a more recent set of supporting values for the arts. As will be seen in succeeding chapters these have developed only relatively recently but they have become of prime concern in this period. Amongst these beliefs are a concern for 'the economic importance of the arts' (Myerscough, 1988), the role that the arts can play in the creation and maintenance of an effective and competitive market. As the ACGB (1988, p. 2) argued

> the arts create a climate of optimism – the 'can do' attitude essential to developing the 'enterprise culture' ... government hopes to bring to deprived areas.

It will be argued that these newer justifications for state support for the arts are a direct consequence of the pressures for the commodification of this policy sector. Within these justifications the view of the arts is no longer on the aesthetic value and worth of artistic production in its own right but, rather, with the role of the arts as a component of the economic structures of society. As such the focus of concern has been shifting from assessing artistic products as factors in moral improvement towards assessing them as economic forces. This shift in how to justify state support for the arts has clear implications for the creation, management and implementation of public policies for the arts in Britain, not least in shifting attention away from the individual artist towards the arts as an economic sector.

The second set of values, the peripheral, policy-orientated, ones are much more clearly related to the specific practices of arts-supporting organisations. As with the first set of core values these secondary ones are a combination of the long-standing policy preferences of arts-supporting organisations and newer commitments introduced in more recent times.

The older elements are concerned with the sorts of arts that

should form the focus for public support. Of special significance here are the preference for professional rather than amateur or semi-professional arts and, as the corollary of this, a preference for building-based rather than peripatetic arts. The former spills over into a further value that is supported, that of artistic excellence. The basis for this set of preferences dates back to the early years of the ACGB when a conscious decision was made to concentrate on

> the support of a limited number of institutions where exemplary standards may be developed (Arts Council, 1955, p. 21)

and where these standards were defined by reference to aesthetic and artistic criteria. For such a form of production to be effective a locational base for the arts was seen to be important, leading to the *Housing the Arts* strategy of the 1950s and 1960s (see Chapter 2).

The consequence of following these policy values was to direct the allocation of the available resources in certain directions rather than others. The political consequences of this have been to assist the geographical concentration of resources towards London and the South-East, and to supporting certain centres of artistic production at the expense of others. The justification for this lay in the belief that artistic excellence could only be sustained by such a directing of the limited resources that were available on the basis of the principle of 'few but roses' (Sinclair, 1995, ch. 3; Hewison, 1995, p. 80).

The belief in excellence is itself another of the secondary values that are present within the system. A preference for excellence has always been present within the British system, although how this was to be achieved has been the subject of much debate over the years. Beck (1993) has argued that in recent years excellence in the arts has been a prime factor in directing the operations of state support for the arts, particularly since the publication of a Conservative Party (1978) discussion paper that emphasised excellence as something that state support for the arts should be centred on.

A support for excellence by itself is an open-ended commitment. To become a practical guide to policy decisions it needs to be attached to some sort of view of what excellence consists

of. To this extent the British system had a ready-made answer available to it, that excellence could best be fostered by continuing to support the professional arts – with their basis in aesthetic and artistic standards – rather than any other, thus creating a mutually self-reinforcing set of objectives for arts policies.

A consequence of this preference for a small core of professional artistic excellence was that a third value became increasingly important, that of access to the arts. The concentration on a relatively small set of elite artistic enterprises meant that the ACs' aim of improving access to the arts became hard to meet. If funding and other support was aimed at a limited number of outposts for artistic production then a relatively limited number of people would be capable of enjoying them. Thus access has become something of a watchword for arts-supporting organisations, even if it has been honoured more in the breach than in the fulfilment.

A fourth subsidiary value is concerned with the administrative structures within which support for the arts is undertaken. The major concern here is with the ability of arts support structures to do the jobs that they were intended to with some degree of administrative and economic efficiency and effectiveness. This concern has led to a continuous process of administrative reform taking place at all levels within the arts network, particularly in the light of changing concerns of central governments and changing socio-economic and political environments. This value is important for understanding the commodification process as it affects the arts as organisational change is an important component of this process (see Chapter 1).

A concern for this dimension of the arts network is long-standing and has become of increasing relevance for the arts since the publication of both the Wilding Report (1989) and the more recent review of the ACE undertaken by Price Waterhouse (1993: see also Taylor, 1995c). This concern has been increasingly matched by consideration of the final subsidiary value to be mentioned here which is concerned with the systems of financial support for the arts that exist.

Accepting the role of the state in supporting the arts leaves open the methods by which such support can be given. In the British context the major form of support that has been used has been the financial one. How this monetary backing for the arts can be most effectively and efficiently undertaken is of key concern, not only for the arts but also for the rest of the governmental machinery as well. Managing financial support for the arts is also, of course, of central concern to the commodification thesis as this thesis implies that major changes to financial systems will become increasingly significant as new ideas about the balance of public and private finance for the arts, and how this can be managed, come into force.

In total this set of core and peripheral (or subsidiary) values serves to give meaning to the activities of the organisations and individuals that are concerned with supporting the arts in Britain. These values, as they are expressed by their holders, are laden with political freight as a consequence of how they are understood and operationalised. The ideological dimension of this should not be underestimated. The understandings that are attached to these values are capable of multiple readings by the participants involved: the particular understanding that is attached to these values determines how they will be used, for what purposes they will be used, and in whose interests they will be used.

If these values are accepted as forming the essential underlying structure to the arts policy sector in Britain then the encouragement and support of them by the key institutional components of the sector – the ACs and the DCMS – should be apparent. Certainly the ACGB and its replacement ACs have continually given emphasis to the importance of all of these values over time. Central government has been, perhaps, less committed to them – particularly before the mid-1960s and the development of a role for the centre in the arts – until the creation of the DNH in 1992 and the development of a more active centre. Since then, however, support for these values has been evident, although the emphasis that has been placed upon each of them has tended to be slightly different from that of the ACGB and the ACs (see Chapter 5).

Conclusion

The concern of this Chapter with identifying how power is distributed within the arts has led to a point where the network

for managing this policy area has been argued to be one that is characterised by a relatively neo-elitist or oligarchical pattern where multiple participants are constrained by the power that is held by the relatively few. The resulting concentration of effective power is further argued to lead to the creation of a flawed issue network. This network provides the appearance of relatively pluralist opportunities for participation while masking the reality of a fairly closed field of operation.

This closure of participatory opportunity further means that the values that are held by the relatively powerful oligarchical groupings within the network remain effectively unchallengeable. The values that exist within the network are defined by the policy elite and serve as the justification for both action and inaction. Additionally, the political dimension to these values serves to reinforce the previously argued claim that the arts are intrinsically political themselves, as it is these values that direct both the approaches that are adopted to the arts and the arguments that are used to justify them.

Having now discussed the players in the game of arts policy, the distribution of power within the system, and the nature of the underlying values that exist, attention must be paid to recent developments within the policy sector itself. In this way the manner in which actors, power and values contribute to affecting the shape and nature of change in the arts can be assessed, and the validity, or otherwise, of the commodification thesis can be evaluated.

5 The Arts at the Centre

Introduction

The coming to power of the Conservative Party in 1979 held the promise (or threat, depending upon the point of view that was taken) of major changes to the entire system of government and administration that existed until then in the United Kingdom. While not a political priority area the arts were not immune to the changes that were to take place over the following years. The purpose of this chapter is to analyse the changes that took place in the field of the arts at the national level. To this extent the focus rests on how the arts were dealt with by and in central government, and the impact of this on the ACGB and, later, the ACE, ACS and ACW. The extent to which the many changes that affected the arts can be considered to be examples of tendencies towards a commodification of this policy area will form the main focus of the discussion.

Neo-liberalism, the strong state and the arts

As Chapter 2 has illustrated the 1970s saw considerable debate about the entire role of the state within society. The search for economic and structural solutions to the deepening problems of managing the welfare state affected all of the public sector, including the arts. The coming to power of a new Government that was committed to an agenda of change based upon new political and economic beliefs implied that the search for solutions within the framework of

Keynesian social welfare ideas was seen to be inadequate to resolve the deep-seated problems that were perceived to exist.

Certainly the rhetoric of the new Conservative Government indicated an acceptance of this idea. In place of the consensus that existed about the role of the state and its relationship with its citizens that had existed since 1945 the Conservatives argued that a new approach was required. This approach was influenced by the economic and political ideas that were embodied in neo-liberalism as well as by the more traditional ideological conceptions that underlay the Conservative Party.

These ideas marked a return to older traditions of political economy. Of prime importance amongst them were a distrust of the state as an institutional complex and, instead, a belief that the workings of the free market were sufficient in themselves to ensure an effective distribution of resources amongst societies' members. By allowing individuals the opportunity to choose for themselves how their incomes were allocated amongst competing demands it was believed that society as a whole would benefit. The distrust of the state was based around ideas of individualism that argued that it was only individuals, and not state organisations, that were in a position to decide what it was that they actually wanted and needed.

The methodological individualism that this belief entailed was constructed around the view that individuals were rational actors who were in a position to make informed choices for themselves. The state, as a collection of organisations, was seen to be incapable of undertaking this process of choice on the behalf of individuals and any attempt by the state to do so was effectively an impingement on individual liberty. The consequence of this view was thus to envisage a position where the ability of the state to interfere with the free choices of sovereign individuals was minimised, leading to a preference for a much reduced role for the state within society.

The desire for some sort of minimal state that was implied by this view was, however, problematic. To reach a minimal state the state must itself be strong. At the very least the state needed to ensure that individuals were treated equally in their dealings with each other, which implied a strong legal order backed up by the power of the state. To make this meaningful the state itself must therefore have the capability of imposing order on individuals. Clearly there was an element of schizophrenia in the ideas that were being presented: for society to work the state must be weak but, at the same time, it must also be strong.

The contradictions of this position were important for the neo-liberalism that the new Conservative Government espoused. At one level it allowed for the development of policies that supported the freeing of individuals from state control while ensuring that the state retained a position of legitimate authority: at another it allowed room for the production of policies that could be justified by their ability to fulfil either side of the equation of increasing individual liberty or buttressing the power of the state, regardless of whether these were actually contradictory in practice.

Putting into practice the new ideas that the Conservative Government supported thus provided plenty of room for manoeuvre. Policy consistency, which governments usually strive for, could be, if not abandoned, a matter for interpretation. Policies that seemed to go against the grain of supporting individual choice could be justified by appeals to other ideas and principles. The ideological consistency that was claimed for the new Government could effectively be abandoned for the interests of pragmatic policy objectives. In return, of course, it was also possible to abandon policy objectives in the interests of ideological consistency.

Such a view of the Conservative Government after 1979 could be taken to imply that any attempt to identify a consistent policy or ideological approach is futile: certainly the inconsistencies and contradictions of Conservative policy over the years could justify such a claim. However, there remained a bedrock of achievement to the successive Conservative Governments that could be taken to indicate that, in practice, traditional pragmatic Conservative governing was imbued with a new sense of direction. This underlying trend of Conservative policy was in favour of the market rather than the state as the prime focus for policy, even if individual decisions and choices seemed to run counter to this at times. In the same vein as this argument Dolowitz *et al.* (1996, pp. 468–9) have claimed that:

> the Thatcher government did not come to power with a developed strategy, based on New Right ideology, which provided

a blueprint for its policy agenda. Rather it had broad commitments which certainly had ideological underpinnings: it was committed to reducing the size of the public sector and, more generally, to markets as a solution to many, if not most, economic and political problems.

Clearly, such a trend implies the possibility of creating a momentum towards commodification. A retreat from the principles of public provision of goods and services, in favour of the operations of the free market, is an implicit part of such a move. Commodification, however, is more than simply this. It also involves the replacement of use-value by exchange-value and this involves a major restructuring not only of the financial context within which policy is made but also of the organisations, managerial practices and ideologies that are employed in the pursuit of policy (see Chapter 1).

The extent to which the Conservative Governments after 1979 created a commodifying thrust in their policies for the arts thus entails an examination of all four of these areas. If evidence to support the commodification thesis in this period is found then the election of the new Labour Government in 1997 provides the opportunity to see whether this process is continuing or has been changed or even abandoned. Thus, this chapter is not simply a survey of Conservative policies towards the arts but is, rather, an examination of the commodification process itself as it affected the arts.

Funding the centre

The starting point for this examination lies in the actual financing of the arts at the national level. If there have been significant changes in the system and methods of funding national state institutions that are concerned with the arts then an explanation for these changes must be provided. The commodification thesis is one possible explanation – whether it is right, or whether an alternative explanation is more useful in explaining change, remains to be seen.

The amount of money spent by the ACGB was taken up to 1978–79 in Table 2.1. Table 5.1 extends this to 1993–94. While

Table 5.1 Arts Council Expenditure, 1979/80–1993/94

1979/80	55 797 900
1980/81	53 909 200
1981/82	54 749 200
1982/83	57 922 700
1983/84	56 179 000
1984/85	58 314 100
1985/86	58 034 400
1986/87	71 631 200
1987/88	71 381 100
1988/89	72 602 800
1989/90	70 009 100
1990/91	72 323 300
1991/92	81 566 500
1992/93	83 684 100
1993/94	83 070 200

Notes:
1. All amounts expressed in 1978/79 prices.
2. Sources: Arts Council of Great Britain, *Annual Reports.*
3. Price indices are based on the Retail Price Indices in HMSO, *Annual Abstract of Statistics.*
4. All figures are rounded to the nearest £100.

the overall level of AC expenditure showed a growth over this period what is significant is that this figure showed much more of a see-saw existence than had previously been the case. In the period from 1945–46 to 1978–79 AC expenditure rose, in real terms, in 28 years and fell in only five: in the period after 1978–79 AC expenditure rose in nine years and fell in six. Indeed apart from 1986–87, when expenditure increased to replace the money that had previously been spent by the Greater London Council and the six Metropolitan Counties, the rate of overall spending growth was very low. Between 1945–46 and 1978–79 expenditure rose by a factor of 35: between 1978–79 and 1993–94 it rose by a factor of only 1.4, even including the expenditure rise of 1986–87.

To this extent it would appear that the commitment towards an increasing level of funding for the arts in Britain that had developed during the 1960s had been at least tempered. The increasing tendency towards a reduction in levels of expenditure in real terms on a year-by-year basis marked, at the very least, a sea-change for the arts which had become used to a steady growth

in the resources that were available to the ACGB for national distribution.

The changes in available levels of monetary resources that took place during the period after 1979 can only really be understood by reference to the broader political and economic climate of the time. The argument that the Conservative governments of this period were operating on a mixture of ideological impetus and pragmatic choice implies that the decisions that were being made about levels of ACGB expenditure were being driven by broader issues of political choice that were largely separate from the concerns of the arts themselves. This is particularly important insofar as the period since 1979 has seen a great deal of effort being put into attempting to define and redefine the role of the ACs and their relationship with other political actors in the area of arts policy.

This definitional exercise, from *The Glory of the Garden* (Arts Council of Great Britain, 1984) to *A Creative Future* (Arts Council of Great Britain, 1993), might have been expected to lead to some reassessment of arts expenditure at the centre. If political concerns that are exogenous to the arts policy network itself are the dominant factor behind arts expenditure then it should be expected that there will be a clear relationship between these external events and pressures and the direction, level and shape of this expenditure. Given the pressures that encourage a relatively incremental approach to public sector budgeting (Wildavsky, 1979), the role of external forces in the determination of the central arts budget can assume a critical importance in generating or resisting change.

To assess the role of these exogenous pressures it is necessary to examine three areas in particular: *who* were the people making the relevant decisions during this period; *what* were the significant decisions that were actually made; and *why* were these decisions made. The commodification thesis implies that the responses of political actors to changing environments will be a crucial factor in determining the shape and direction of policy. Chapters 3 and 4 have identified the key organisational actors in the field of arts policy and the underlying structural factors at play in this policy sector. What needs to be seen is how these actors combined to create change after 1979. If arts policy was

driven by factors exogenous to itself during the period since 1979 some implicit, if weak, support for the commodification thesis can be adduced.

Political actors: political choices

Using the changes in the budget of the ACGB contained in Table 5.1, the contribution of different sets of political actors to the funding decisions that were made can be used as a starting-point for investigating the ways in which arts policy was changed during this period.

The key actors involved in this process as it took place at the national level consist of elected politicians (in their roles as Ministers and Junior Ministers); appointed civil servants (particularly in their role during the allocation of public expenditure); and the quangocracy in the shape of the appointed members of the ACGB and its successor organisations (particularly in the role of the Chairperson of these organisations).

The relatively limited number of people involved in effecting change in the field of arts policy at the national level is symptomatic of the minor place that the arts has in the list of governmental priorities. The lack of political significance of the arts and arts policy at the national level is neither new nor surprising: the consequence of this lack – that policy becomes controlled by a relatively enclosed oligarchy – might, however, be seen as the latter.

Given that the arts have always been capable of generating large amounts of publicity for itself (particularly over issues of funding) some sort of demand for involvement in policy-making by the wider arts community might be expected to be a necessary concomitant of this. Apart from a brief phase in the mid-1970s, however (see Jenkins, 1979), expectations about involvement by members of this wider community have always been muted. In part this is a consequence of the exclusion of many of the organisations involved in producing the arts. This allows them to stand aside from involvement with unpopular decisions by leaving the central actors in the DCMS and the ACs as obvious targets for derision. The establishment of an inner circle of key policy-makers provides the rest of the arts community with the

opportunity to avoid the taking of responsibility while leaving them free to criticise the consequences of the decisions that are actually made by the core, oligarchical, actors.

The role adopted by the core of the policy community during the 1980s and 1990s certainly generated massive criticism of what was being done at the national level in terms of the arts. Complaints about a lack of adequate funding for the arts were joined by further criticisms of the style and methods of management that the arts were increasingly arguing were being imposed upon themselves, and by the changing emphases that were introduced into the very structure of arts policy itself. The period since 1979 has seen a major restructuring of the components of the policy arena for the arts. The ultimate responsibility for these changes rests with the core actors, even if the factors motivating the changes that have been made have not necessarily been internal to this arena.

In terms of commodification these changes can be summed up as being organisational, financial, managerial and ideological. More specifically the organisational changes, at the national level, have concerned the replacement of the Office of Arts and Libraries (OAL) by the Department for National Heritage (DNH) and, later, by the DCMS; and the replacement of the ACGB by the ACE, ACS and ACW. Financially, there have been changes to the allocation of resources within the arts world, particularly in terms of a devolution of responsibility to the RABs; and the introduction of funds from the National Lottery. Managerially, the arts have increasingly been moved towards a new style of management that has been influenced by private sector models (in the form of mission statements and marketing, for example). Ideologically there has been an increasing move away from ideas that could be loosely summed up as 'art for art's sake', and an increasing view of the arts as an economic entity.

How the arts have moved towards such a position is the important issue to consider in the current context. The decisions and choices that have been made by political actors, whether internal or external to the arts policy sector have certainly led to a major restructuring of the national picture concerning the arts. Whether the result of this has been to change the internal dynamics of the system as well as the operational and organisational environment has important implications for the commodification thesis itself.

Organisational change

The organisations concerned with the arts at the central, national, level have seen a continuing process of change since 1979. The OAL was created as a semi-detached unit of government following the appointment of Norman St John Stevas as Arts Minister (and Chancellor of the Duchy of Lancaster and Leader of the House of Commons), providing a more independent power base for the arts within government. As such there were various possibilities for the arts at the centre: they could be considered as a more important arena for government activity than had previously been the case, or they could be separated off from other areas of governmental activity in such a way as to make them an easier target for expenditure restraint. As the OAL had no effective executive powers over the arts, being largely a conduit for negotiation about levels of finance in the annual public expenditure round, the latter possibility would appear to be a more likely explanation for change.

The role of the Arts Minister himself in creating the new structure implies, however, that the former possibility was present in thought, if not in deed. Certainly 'he was the first Tory Minister . . . who was genuinely interested in the arts' (Witts, 1998, p. 482) but he was operating in a context where such interest was of little real use. The limitations on the Arts Minister's powers, and the perception of him as a 'wet' by Mrs Thatcher, served to exercise an effective check on making the arts a central issue in government: Hewison (1994, p. 419), for example, argues that for Mrs Thatcher the arts were largely identified as being concerned with questions of 'national prestige' rather than anything else: a point reinforced in her memoirs (Thatcher, 1993) where much of her limited discussion of the arts is concerned with attempts to bring major art collections to Britain for reasons of display rather than anything else.

Until the 1992 general election the arts continued in the same general structural form, with a clear division between the national oligarchy located in the OAL, the ACGB and the 'metropolitan

arts establishment' (Beck, 1993, p. 14), and the local, regional and community groupings based around individual artists, local authorities and local arts organisations, and the RAAs (and later the RABs). The overall impact of this division for the arts policy sector is discussed later on. What is significant is that the national level organisations themselves were subject to major change with the creation of the DNH in 1992 and the fragmentation of the ACGB in 1994.

The establishment of the DNH was the first time that the arts were located in what was effectively a 'cultural' Ministry, rather than being merely an adjunct of other Departmental concerns. Apart from being the first new major national department in central government since the short-lived Department of Economic Affairs in the 1960s the DNH also guaranteed the arts Cabinet representation for the first time.

The Department itself drew its responsibilities from a number of existing areas of governmental activity. The arts, along with museums, galleries and libraries, were taken from the OAL; film from the Department of Trade; broadcasting and the press from the Home Office; sport from the Department for Education and Science; tourism from the Department of Employment; heritage and listed buildings from the Department of the Environment. In addition new responsibilities for the proposed national lottery and the proposed Millennium Fund were also added to the list (Ravenscroft, 1994, p. 6).

The intention of this change was to provide a new coordinatory mechanism for a range of related tasks. These tasks had been largely a minor concern of the Departments from which they were taken but, in combination, they provided a basis for the construction of a major Department which would have 'both financial and political clout' (Hewison, 1994, p. 422). The assumption that there was to be a new dispensation for the arts following the creation of the DNH, based around a coordinated approach to a range of related, if different, subjects can, however, be questioned. Hewison (1994, p. 423) has argued that the creation of the DNH can be seen as being principally shaped by the preferences of the first Secretary of State for National Heritage, David Mellor. As both a supporter of the arts (particularly the 'high' art of 'classical' music) and football, and as a strong supporter of John Major during his campaign for the leadership of the Conservative Party, Mellor could be seen to be reaping the rewards for his role in the installation of Major as Prime Minister by his assumption of control of a policy area that was to his tastes.

As far as the arts themselves were concerned, the creation of the DNH was a mixed blessing. Inside the Department itself the arts were only a relatively small part of the whole, meaning that their relative anonymity of impact was little touched inside government itself. However, by being part of a much larger Department the arts could coat-tail on the results of the improved 'clout' that a major new department of state carried to expect better treatment. How far this would have been lived up to is hard to assess as Mellor's tenure in office was abbreviated, and his replacement as Secretary of State, Peter Brooke, did not have the personal relationship with the Prime Minister that Mellor had. In consequence the creation of the DNH had little direct effect on the arts – the previously existing oligopoly was untouched and the lack of status of the arts remained in place. Indeed, Sinclair (1995, p. 364) has argued that the creation of the DNH implied a greater degree of central control over the arts – a reinforcement of the power of the dominant oligarchical grouping at the centre – than anything else.

The extent to which this situation of effective *status quo ante* would have remained is equally hard to assess as the defeat of the Conservatives in the 1997 general election introduced a new Government which was committed to some form of change for the arts – even if pinning down precisely what this entailed is hard to do. The most obvious effect for the arts of the Labour victory was the changing of the name of the DNH to the Department of Culture, Media and Sport (DCMS) in the immediate aftermath of the election.

This change of name for the central Department concerned with the arts could easily be seen as an example of symbolic politics. Indeed the new Secretary of State, Chris Smith, has stated that the change was

> because we wanted something more forward-looking, a name that captured more accurately the new spirit of modern Britain, that signalled the involvement of all (Smith, 1998, p. 2).

While this implies a change of direction for the DCMS as compared with the DNH – from being a staid, backward-looking, entity to a more dynamic, forward-looking one, the extent to which there has actually been any effective movement away from the pre-existing arrangements is open to question as the focus of the new Labour government has tended towards the more 'popular', 'low', cultural dimension, rather than the 'high' arts orientation that has formed the core of arts policy in the past.

The same point could also be made in terms of the other significant macro-organisational change that occurred in the period after 1979: the splitting up of the ACGB into its constituent regional entities. Prior to the establishment of the ACE, ACS and ACW in 1994 the ACGB had been established with two semi-autonomous sub-committees for Scotland and Wales. The policy and funding decisions that were made by these were solely their concern: the ACGB had no role to play in this process.

To this extent the breaking up of the ACGB could be seen to be simply a recognition of the reality of the situation. Alternatively it could be seen to be a part of the devolutionary trend heralded by the publication of the Wilding Report (1989), which argued for a greater role to be played by non-national institutions in the distribution of funds for the arts. In either case the creation of legally separate organisations to manage the overall arts budgets for Scotland and Wales had little real effect on the distribution of power within the system as the ACGB sub-committees for these regions were already effectively independent entities. It is only by looking at the precise detail of how the arts at the central level have changed that the reality, or otherwise, of meaning behind macro-organisational change can be assessed.

Financial change

The first place to examine the extent of change lies in the developments that have taken place since 1979 in the field of financing the arts. To assess the relationship between external factors and the role of political actors in the distribution of the arts budget some analysis of how the ACs have distributed their funding is needed. Even if the rate of growth in funding for the ACGB, and its successor organisations slowed down after 1979

the size of the overall budget for them still grew by some 60 per cent in real terms after this date. This increase was certainly dependent upon the political choices that were being made by actors external to the arts policy network and their reasons for making these choices must be analysed. Further, the question of how the ACs distribute the funds that are made available to them has important implications not only for the direct production of artistic goods and services but also for indicating the policy preferences and predilections of the distributors themselves. The extent to which the allocations that are made to different areas of expenditure in the period since 1979 show changes can thus be taken to illustrate reappraisals of policy within the ACs themselves.

What has been significant in practice is not that there have been major shifts in spending patterns by the ACs but, rather, that there has been a relative stability in terms of the patterns of allocation that have been made. Over the entire period since 1979 the biggest changes that have taken place have been an increase in the share of the national budget that has been taken by the RAAs/RABs (from 10.53 per cent of the total budget in 1979 to 20.57 per cent in 1994), and a relative decline in spending on the direct production of cultural goods (for example, a decline in spending on drama from 17.76 per cent of the total budget in 1979 to 12.27 per cent in 1994).

These shifts, however, are relative ones. More, in real terms, is actually being spent on direct production than in 1979 but, as a proportion of the overall budget, decline would appear to have set in. The extent to which such a decline is a real one or is simply an internal reallocation of resources between expenditure heads needs to be considered. The changes that have been taking place within the overall ACs' budgets have been largely marginal ones. The most important year-on-year changes occurred after the abolition of the Greater London Council (GLC) and the Metropolitan Counties in 1986, when there was a major increase in delegated spending to the RAAs, and the South Bank complex was taken over by the ACGB. The consequence of these developments was that the share of the overall budget that was taken by other, direct service provision, areas was reduced.

To this extent, at least, the decline in direct production expenditure is a consequence of two distinct changes: firstly, a shift

towards a greater delegation of financial control to the regions, and, secondly, the assumption of new functions by the ACGB itself. The result of these was not only an increase in expenditure on these areas of the budget but also both a relative decline on service provision and a collapse in spending on some other policy areas altogether. In the case of arts centres and housing the arts, for example – which between them had accounted for 5.93 per cent of the total ACGB budget in 1979–80 – support fell to a minimal amount by the mid-1990s.

The decisions that have led to these changes have therefore had important implications for the shape of the overall budget distributed by the ACs. Some of these decisions have clearly had exogenous motors behind the changes that were made: the abolition of the GLC and the Metropolitan Counties was a political decision that was taken in isolation from any consideration of the arts (on the abolition of the GLC, for example, see O'Leary, 1987a, 1987b). The direct consequence of these abolitions, however, was an increase in the grant that was made available to the ACGB to replace the expenditure that these organisations had previously made on the arts. The unintended consequences arising from this led to changes in the internal allocations of funds between areas of expenditure by the ACGB.

A second area of concern for the financing of the arts lies in the development of alternative forms of funding from non-state sources. In this area the two biggest changes have come from the development of business sponsorship and the introduction of funds from the National Lottery.

Support for the arts from the business community has been a consistent, if minor, part of the financing of the arts for many years. It was not until 1976, however, that any formal organisational structures were introduced to provide this aid in anything other than a piecemeal fashion. The key organisational reform to provide a central focus for business sponsorship came with the establishment of the Association for Business Sponsorship of the Arts (ABSA). This was set up with financial aid from the then Labour Government to provide a forum to encourage a greater level of support for the arts from the business community than was then the case, and can be seen as part of the changes in British government arising from the cuts in public expenditure in the mid-1970s. ABSA could, in this light, be seen as a mechanism for the substitution of public expenditure by private expenditure.

Prior to the establishment of ABSA the business community gave around £600 000 per year to the arts, with most of this coming from British subsidiary companies of United States firms (ABSA, 1987, p. 13), where the tradition of such support was much more highly developed than in the United Kingdom. From the inevitable small beginnings ABSA started to develop larger-scale sponsorship than had previously been the case. 1984 saw a significant development for ABSA with the establishment of the Business Sponsorship Incentive Scheme (BSIS).

BSIS was renamed in 1995 as the National Heritage Arts Sponsorship Scheme: the Pairing Scheme for the Arts (Department of National Heritage, 1996, p. 41) although it continues to operate in the same form. Under these schemes ABSA, in return for a fee paid by central government, runs a system of encouraging businesses to support the arts. This support is backed up by government funds of varying proportions, from matching the money donated by first-time sponsors to adding 25 per cent of the money donated by longer-term sponsors. In conjunction, ABSA and the Pairing Scheme raise about £10 million a year for the arts, although somewhat less than this is actually *spent* on the arts: administrative costs on the Pairing Scheme are, typically, at least twice those of the ACs, implying a somewhat greater administrative efficiency in the public sector than it is often given credit for.

More significant than this relatively small-scale business sponsorship, at least in crude financial terms, has been the injection of funds into the arts from the National Lottery. The Lottery commenced in November 1994, followed by the introduction of scratch-cards in March 1995, and a mid-week lottery draw in February 1997.

Originally five 'good causes' were the beneficiaries of lottery money. Twenty-eight per cent of total lottery income was to be distributed to the arts, sport, national heritage, charities and the Millennium Commission. In the first year of operation of the Lottery each of these received over £250 million to distribute. In the case of the arts this distribution takes place through the ACE, ACS, ACW and ACNI, with each receiving money in proportion

to the share of national population they contain. The result of this is that England receives 83.3 per cent of the total money available, Scotland gets 8.9 per cent, Wales gets 5.0 per cent and Northern Ireland gets 2.8 per cent (Hurd, 1995, pp. 19, 75).

Originally lottery money was meant to be reserved for capital projects involving the building, maintenance, refurbishment or extension of buildings or other facilities used for the arts. This emphasis on the physical fabric of the arts was relaxed in 1996 to allow for some restricted revenue funding to take place from lottery sources.

Each of the ACs involved in distributing lottery funds has its own priorities, alongside those contained in the relevent legislation. Of key significance is the fact that lottery funds must be part of an overall package of funding that draws money from other sources as well – a form of financial partnership.

Lottery funds themselves were established to be 'additional to, rather than a replacement for, public expenditure' (Department of National Heritage, 1996, p. 47). This principle of additionality was intended as a safety device to prevent national governments from raiding this source of external finance to fund schemes that would otherwise require public expenditure. To this extent they were not to be a substitute for expenditure that might require governments to raise taxes to pay for it, neither were they meant to be an excuse for governments to reduce their own expenditure levels in the policy sectors involved.

The extent to which additionality was to remain a principle behind lottery funds was soon questioned, particularly when revenue expenditure entered the equation. Doubts about the principle increased with the advent of the new Labour Government in 1997. In that year a sixth 'good cause' was added to the existing five: a New Opportunities Fund, designed to finance programmes selected by the Government. These programmes, covering health, education and the environment, could be seen to be an example of a substitution effect coming into play, something that has been seen with other lotteries around the world (Schuster, 1995a, 1995b).

The consequences for the arts of this change of direction on the part of central government is that lottery funding will decline in scale over coming years. Originally the arts received 20 per cent of the money available from the lottery, and this was earmarked to rise to 25 per cent from December 2000 as money for the Millennium Commission stopped. After announcements at the 1998 Labour Party annual conference the share that the arts will take from the year 2001 will decline to just over 16 per cent of the total. This implies a fall of approximately £40–50 million a year for the arts.

The final issue to consider in terms of the financing of the arts has been the increasing move by governments to view the arts as a tool for economic policy. While this is also an ideological issue it clearly has implications for the basic reasons *why* the arts receive support from public funds. The idea that the arts can be used for alternative purposes than those concerned solely with the arts themselves has a long British tradition (see Chapter 2 and Bennett, 1995). This tradition, however, was very much concerned with the role that the arts could play in securing social benefits for the state and society, rather than economic benefits that might, in practice, run counter to these.

This role began to change soon after the Conservative victory in the 1979 general election when the emphasis was placed, not on publicly supported arts, but on an arts economy that incorporated private interests. The justification for such a move lay in the argument that the arts themselves were a key element in the British economy, providing employment and tax revenues for the state. As a consequence of this the arts should no longer depend for their support upon social arguments but, instead, on economic ones.

The publication of *A Great British Success Story* (ACGB, 1985) marked the first time at a national level that an economic argument in support of the arts was made in Britain. This was followed by the publication of *An Urban Renaissance* (ACGB, 1988) which highlighted the role that the arts could play in regenerating declining urban fortunes. Alongside these, Myerscough's (1988) study of the economic significance of the arts for Britain marked the development of a new approach towards assessing the role of the arts and justifying a role for the state in terms of basic economic investment rather than other non-economic criteria.

The specific impact of this change is, as stated before, largely ideological, but it also contains within it consequences for the

delivery of artistic products. Volkerling (1996, pp. 200–7) sees the period after 1985, not only in Britain but also in Australia, New Zealand and Canada, as forming one where there has been a reaction to the professional dominance (in the sense of artistic criteria being seen as the most important thing to base decisions and choices upon) of the arts world, and an incorporation of the arts into a new hegemonic project supporting images of a national unity that would otherwise be threatened by the entrenchment of social divisions that are generated by the realities of economic change.

Financially the results of this in the British context have been a shifting of emphasis away from the traditional aesthetic arguments for support of particular art-forms and projects towards an economic rationale for such support. To encourage this the search for alternative funding mechanisms, as are provided by private-sector funding and the Lottery, assumes a new significance for the arts. By justifying the benefits of a thriving arts economy for the economy as a whole the arts themselves become another tool of economic management for governments. As such the arts become decreasingly able to justify their importance by reference to older, socially derived, arguments and, instead, must become increasingly able to justify themselves in terms of economic and market arguments.

Clearly this development for the arts marks a major change to the view that dominated before the 1980s and implies an acceptance of a more commodified view of the arts than had previously existed. To assess the reality of this claim requires a move to consider the final two areas of the commodification argument, those of managerial and ideological change.

Managerial change

In terms of the former of these the arts, in common with the rest of the public sector, has been affected in a major fashion by the managerial 'revolution' that has swept through British government in the last 20 years:

> The eighties have seen major changes in the way the arts are perceived, run and funded. The language of the arts world has had to absorb a dictionary of business-speak. New relationships have had to be made with, initially, strange beings. New jobs have been developed requiring a different kind of creative ability (Southern Arts, 1989, p. 3).

The consequences of a 'managerialisation' of the arts have been different at different levels inside the arts world. At the central, national, level the results of creating a new managerial settlement for the arts have led to changes in the ways in which the arts are assessed, how support for them is given, and how they are provided.

Of particular significance in this changing environment has been a shift in the emphasis that is placed on what have traditionally been seen as classically 'business-like' activities. In 1990 the Minister for the Arts, Richard Luce, asked the major funding bodies for the arts (the ACGB, the RAAs/RABs, the British Film Institute and the Crafts Council) to prepare a national strategy for the arts. As part of this process a large number of discussion documents were prepared, outlining how the arts should change to improve their future role. Alongside documents discussing particular art-forms and issues such as access and the role of the arts in a European context a number were explicitly concerned with such 'business' areas as management (Fischel, 1991), marketing (MANAR, 1991), training (Watt and Welton, 1991), and the distribution of non-performing arts (Lewis, 1991).

The emphasis in these documents was on the need for the arts to become much more conscious of the demands and requirements of the arts, not as art-forms, but, instead, as businesses. The development of a more managerially responsive and business-oriented arts world would, it was argued, lead to a less elite-dominated arts system that would encourage diversity, improve access and regenerate declining economies. Lewis (1990), argued that the arts required a more market-oriented framework that placed an emphasis on effective management and marketing before they could escape from the limitations of what he saw as the dead hand of traditional state bureaucratic organisation.

Such arguments fitted in neatly with the perceived dominance of the private over the public sectors that was an important element of the ideological fixations of central government after

1979 (Clarke and Newman, 1997). The assumption that the problems of the arts, and the rest of the public sector, could be resolved by the injection of private-sector management skills had steadily developed during the 1980s as part of the attack on the postwar social democratic consensus that the Conservatives mounted (McGuigan, 1996, p. 62). Increasingly arts organisations were expected to provide what it was believed that the private sector did well. The consequence of this was a proliferation of business plans and mission statements throughout the arts world. Lottery applications, for example, were expected to be accompanied with both of these forms of document and the ACE demanded them from the RABs.

The extent to which these forms of managerial development were appropriate to the arts remains something of an open question. The review of the ACGB that was undertaken by Price Waterhouse (1993) identified a number of problematic areas in how it operated that were as much a consequence of confusions about the multiple roles that it had to undertake as they were of managerial shortcomings. Indeed the proposed solutions to the perceived problems of the ACGB were largely based around restructuring the network for the arts at the national level rather than with managerial tinkering with the existing structures (Taylor, 1995c, pp. 193–5).

Such a conclusion, that the problems at the centre are concerned with how the arts system is put together, implies that there is limited scope for improvements to be gained by 'managerialising' the arts. A change, however, in the management of the existing system as a whole at the national level could be a possible solution to the perceived weaknesses that are argued to exist. A movement towards such a shift in management has been started by the new Chair of the ACE, Gerry Robinson. The number of members of the ruling council has been reduced and the influence of the appraisal panels for particular art-forms has been downplayed, leading to a spate of resignations from them. These changes imply a new role for the ACE that is less attuned to art for art's sake, and is more managerially conscious.

To this extent, at least, management has assumed a new importance for the ACE, even if particular managerial techniques

(affecting, for example, marketing) have been less readily adopted. One area that has been particularly affected by this shift in emphasis towards the management of the overall system at the centre has been in the relationships of the ACE, in particular, with other key actors. This inter-organisational element of the management of the system has seen considerable change as a consequence of the organisational reforms that have taken place since 1979. Of key significance here are the replacement of the RAAs by the RABs and the establishment of the DNH/DCMS. Both of these changes have led to a reassessment of the role of the ACE within the arts system. In the case of the RAAs/RABs the pressure to devolve financial responsibility from the centre to the regions has led to an increasing role for the regional bodies involved (see Chapter 6). In the case of the DNH/DCMS the 'arm's-length' principle has come under increasing strain: indeed the role that central government has been increasingly taking in changing the arts system, both directly through financial and organisational change and indirectly through pressure on arts organisations and the membership of them, has left the ACE in an increasingly tight corner (Quinn, 1997; Taylor, 1997).

In effect, the ACE has had its autonomy and freedom of action constrained by pressure from both central government and the regional and local axis of arts support. The consequence of this is that the overall control of the system has been passing away from the ACE and towards other actors. This, in turn, implies that the control of the dominant oligarchy located in the central organisation of the system is weakening. Whether the new changes to the structure and operating principles of the ACE will result in a reformulation of what it stands for or whether it heralds a broader restructuring of the system, with a much reduced role for the ACE, remains to be seen, although Taylor (1997) argues that the increasingly active role that the DCMS has been adopting will lead to a decline in the influence and power of *all* of the bodies that it sponsors.

While the ACE appears to be becoming embroiled in a war of attrition over its status and future existence the position in Scotland and Wales appears to be less problematic. The semi-autonomous status of the committees concerned with these areas under the aegis of the ACGB led to them having something of a sheltered

existence from the public eye. The passing of responsibility for the ACS to the Scottish Office and the ACW to the Welsh Office at the establishment of the DNH would appear to have had little of the organisational consequences that have affected the ACE.

While the changes affecting the financing of the arts have been similar in Scotland and Wales, particularly in the case of the lottery, the absence of an organised regional structure similar to the RABs in either case has meant that the tensions over the role of these two ACs has been less. Likewise the managerial changes that have affected the running of the ACE have not taken place in either case, even if the managerialist tendencies towards corporate plans and mission statements have.

One difference that might have a future significance for the ACS and ACW, however, lies in the existence of nationalist parties and the coming of elected assemblies that would have effective control, via their oversight of their territorial ministries, of them. The 1997 general election, for example, saw both the Scottish National Party (SNP) and Plaid Cymru (PC) devote space in their manifestoes to the arts and the role of the ACs in their domains, with both parties being committed to the creation of a much more dynamic role for their resident ACs. In this respect the future holds out a somewhat different picture for central arts organisations in Scotland and Wales from that in England. The extent to which this will be fulfilled will depend upon how the new Scottish and Welsh Assemblies develop their governing and managerial capabilities, and their willingness to use these to affect the governance of the arts in their respective areas.

Ideological change

The final area of change since 1979 to consider lies in the ideological underpinnings of the arts system. As has already been argued the move towards considering the arts as a tool of economic policy was as much an ideological issue as it was concerned with the motives lying behind the financing of the arts themselves. The implications of this move were most evidently seen in the case of local government support for the arts (see Chapter 7) but it also had an impact in terms of restructuring the ideological acceptance of state intervention into the arts as well.

The restructuring of the arts system through organisational, financial and managerial change was predicated upon assumptions about both what role the state should play in supporting the arts and how the state should be organised to fulfil this role. Beck (1989, p. 379) has argued that the ACGB was particularly susceptible to governmental manipulation by the very fact of being a quango. While this manipulation was relatively clear-cut in organisational, financial and managerial terms its impact in ideological terms was less so.

The attempt to inculcate new values into a policy area that had developed its own consensus about what the system should be and how it should operate would inevitably lead to the creation of serious political complications unless governmental control was capable of being used with relatively few adverse effects. The arts were, in this respect, a suitable case for treatment given the relatively low political profile that the arts have always had in Britain, and their lack of centrality to overall governmental policy. The fact, however, that the arts *had* developed a value consensus meant that replacing these values with others would still require a serious effort on the part of Governments to achieve their ends.

The introduction of new values into the arts, then, was a crucial area for central government to intervene in. The most obvious starting-point for this lay in the manipulation of the membership of the central arts funding organisation at the national level, the ACGB. Controlling this membership always allowed central government the possibility of steering the ACGB along certain preferred paths of development rather than others by the appointment of members who shared the preconceptions and ideas of government rather than any others. The period after 1979 saw this manipulation becoming more evident: even if it had always been there how it was used became more blatant.

To justify this claim some evidence on the membership of the ACGB and how it was changed after 1979 is needed. During its lifetime 182 people served on the Board of the ACGB. In many ways these members were archetypally a part of the classic list of the 'great and the good' that makes up so much of the British quangocracy. This membership was largely male (83 per cent of the total), middle-aged (the average age at appointment being

52), and middle-class (65 per cent attended university and over 90 per cent had professional occupations: 11 per cent of the total membership had also attended Eton!: see Gray, 1998).

Beck (1992, p. 142) has argued that the membership of the ACGB was made up of

> safe, respectable, members of the national and regional establishments whose tastes and values would be within the parameters of ministerial tolerance.

These members formed a key element of the dominant oligarchy within the arts world, often being members of multiple arts organisations, where their values and views were reinforced. Hutchison (1982, p. 33) refers to the arts world as being an oligarchy as 'the result of a system of government by patronage', with acceptance into it depending upon a value consensus with the views of ministers.

The exercise of state patronage in this field is thus important for understanding how ideological change can be introduced into such a relatively self-contained world as the arts would seem to be. The processes of appointment to the ACGB were described by Williams (1979, p. 160) as being 'shrouded in the usual mellow dusk': discussions between Ministers, civil servants and senior figures in the ACGB producing by some form of osmosis names suitable for appointment.

Such a view was perhaps disingenuous in Williams's own case as he was invited to serve by the direct invitation of the Arts Minister of the time, Hugh Jenkins (Jenkins, 1979, p. 195). Other appointments, however, did seem to arise from the 'mellow dusk' on the basis of discussion, argument and horse-trading between the Minister and the Chair of the ACGB (Jenkins, 1979, pp. 195–6). The general impression would appear to be one where appointment was closely controlled by a small cabal of insiders, whose processes of choice varied from personal knowledge of the people involved to more mystical late night visions. Sinclair (1995, p. 192), for example, states that the appointment of Lord Gibson to become Chair of the ACGB in 1972 was the direct result of an 'inspiration' in 'the middle of the night' on the part of the then Arts Minister, Lord Eccles.

However appointments are made the introduction of new ideological conceptions and values into the ACs implies the manipulation of membership to match the requirements of the political powers that are dominant in central government. Hewison (1994, p. 426), for example, has argued that the ACGB was placed under pressure by 'the appointment of political sympathisers' of the government to its Board.

Certainly the appointments of Lords Rees-Mogg and Palumbo, in 1982 and 1989 respectively, as Chairs of the ACGB could be seen to be as much a consequence of their acceptance of the dominant values of the Conservative Party (and, in particular, those of Mrs Thatcher) as it was of their involvement with the arts. Likewise, the appointment of Lord Gowrie, previously Minister for the Arts under Mrs Thatcher, as the first Chair of the ACE had clear political salience. The alternative, of failing to appoint or reappoint people, can also be seen as an attempt to control the values that are present within the ACs. Ridley (1987, p. 238), for example, cites the failure to reappoint one member to the ACGB because 'No. 10 doesn't like him' as a clear case of political manipulation.

At a broader level the membership of the ACGB saw a shift away from those directly involved in artistic production to members drawn from the worlds of business and administration. Comparing the first and last 45 members appointed to the ACGB illustrates this. In the first 45 members appointed, 22 per cent were from the arts themselves (musicians, writers, artists, and so on) and only 5 per cent were from the world of business. In the last 45 appointments 15 per cent were direct providers and 26 per cent were from the business community, implying a changing conception of what were the most appropriate backgrounds for members of the ACGB to come from. This shift in emphasis continued with the ACE where of the first 16 members appointed 18 per cent were direct providers while 25 per cent had a business background and a further 20 per cent had specific backgrounds in arts management rather than direct arts provision.

The creation of the DNH also provided the possibility of changing the values that were contained at the national level by allowing the redeployment of existing civil servants into the new Department. The senior civil servants concerned were drafted in from

(for example) the Treasury and had, in the main, little previous direct involvement in explicitly cultural or artistic concerns. Thus, the creation of a major new Department of State provided the opportunity for the introduction of new views, approaches and values as compared with those that had previously been in force.

The personnel changes involved at the central level provided the possibility of imposing 'central government's financial control, financial accountability, and management style and values' (Beck, 1993, p. 23) on the arts. Clearly the major changes that have affected the organisations, finances and management practices of central arts organisations have been considerable and these have been matched by the shifts in ideology that are expressed by them. To some extent the differences in ideological conception that have been generated as a consequence of membership change are of degree rather than of direction, although, even so, they have significant implications for the arts.

Ravenscroft (1994b, p. 137), for example, sees the policy aims of the DNH in the early days as being concerned with principles of social control. This control, while fitting in with the image of the 'strong state' (Gamble, 1988), is actually involved with a process of social exclusion. The new citizenship based around market principles of necessity leaves some members of society in a disadvantaged position, unable to benefit from market relationships. The DNH, predicated upon a market-oriented vision of the arts, and leisure in general, thus becomes a provider of both 'commercial' and 'placebo' policies (Pick, 1988), providing access to artistic goods and services for those in a position to benefit from market-based arts goods and also providing a modern version of 'bread and circuses' to buy off discontent from those unable to participate in the market-place.

The increasing emphasis on market-based solutions for the perceived problems of the arts can be seen in many areas but is not, in itself, a dramatically new idea. The preference for a private-sector basis for the arts, with the state as a form of residual supporter for certain art forms, is a long-standing British tradition. McGuigan (1996, p. 67), sees recent developments as forming a part of the 'marketisation' of the arts, where state-supported arts become treated in a similar fashion to private-sector commodities. This marketisation, operates at the level of resemblance,

rather than of identity and is thus distinct from commodification (McGuigan, 1996, pp. 67–8). However, the consequence of this mimicry is that the boundaries between the public and the private are increasingly blurred.

Thus, the result of changing the understandings of the role of the state in terms of the arts becomes increasingly one where the acceptance of private-sector rationales and principles becomes easier. In this case the process of commodification becomes part of a longer-drawn-out political project of change. An overnight redrawing of the policy arena from use to exchange was unlikely to be a possibility, even for a government committed to market principles. Instead a combination of changes are required to transform the basics of operation within policy areas to fit in with new conceptions.

A commodified centre?

This last point implies that commodification has not yet become a reality at the national level in terms of the arts. While considerable energy has been devoted to changing what is occurring at the national level it has yet to generate the full-blown introduction of exchange-value to replace use-value in terms of how the arts are dealt with at the centre.

Certainly the changes that have taken place can be understood as shifting the basis upon which the arts operate: new organisations being created, new financing mechanisms being introduced, new emphases on private-sector management techniques, and attempts to change the ideological basis of the state's support for the arts all show an attempt to remake the settlement for the arts that had been established by the mid-1970s.

These processes of change are by no means finished. The new Labour Government has continued the attempt to redefine the role that the state should adopt towards the arts, of which the renaming of the core Department of State for the Arts has been only one step. The creation of the National Endowment for Science, Technology and the Arts (NESTA) (Smith, 1998, p. 30) promises to be a new development in state support for the arts, with implications for the future role of the ACE (if not the ACS and ACW) of some magnitude.

Clearly if commodification is taking place then the process is not yet finished, and, indeed, has some way to go before completion. However, the basic first steps are clearly in place for such a development to continue into the future. A key feature of this changing environment for the arts rests in the overall pattern of the changes that have been taking place. The increasingly dominant role of the central government department with a responsibility for the arts is significant here, alongside the consequential downplaying of the significance of the ACE.

To illustrate the importance of this the troubled saga of the Royal Opera House (ROH) in London is indicative of the new emphases that are being placed on how the arts are seen at the central level. The almost byzantine management of the ROH has illustrated the conflicting demands that have been placed upon central actors in the arts, with competing perceptions of the problems that have been involved in the process of refurbishment. Both the DCMS and the ACE have clearly had their own agendas to pursue that have created problems for a not particularly well-run organisation, leading to Chris Smith claiming that 'good administration is just as important as high artistic excellence' (Brown, 1998, p. 8).

The perceived problem of poor management illustrated by the ROH saga extends beyond this client agency however. Part of the problem for the ROH lay in the lack of clarity in the field of inter-organisational relations between the ROH, the ACE and the DCMS, generating political battles between all three organisations. This indicates that the process of change is by no means unproblematic and it is likely that more conflicts of this nature are likely as the restructuring of the arts network takes place over the coming years.

One continuity from the 1970s that seems to have managed to remain relatively unscathed is to be found in the nature of the dominant oligarchy for the arts at the national level. While there has been some shift in emphasis to accommodate changing ideological preferences on behalf of central government, this shift has not seen any sweeping changes in the criteria that are held as central at the core of the system: instead a marginal renegotiation is in the process of taking place. This in turn implies that the process of change at the centre is likely to be long-

drawn-out as ideology is difficult to change in the short term.

The changes that *have* taken place at the centre have clearly been affected by the preconceptions and agendas of actors in central government, even if there is no straightforward causal relationship between these and the forms that change has taken. Certainly the differences between the changes in England as compared with those in Scotland and Wales imply that some forms of geographical and political difference act as intervening variables in the process of change, with 'correct' solutions in one place not necessarily being so 'right' in other situations.

To this extent, then, the central picture is only a part of the whole. The extent to which variation is built into the system, and the ways in which change is managed *between* organisations needs to be examined. The centre, after all, might be an exceptional case as far as commodification is concerned. If changes of a similar magnitude have not occurred elsewhere within the overall system then the commodification argument is severely weakened. For this reason it is important to move on to consider what has been occurring at both the regional and local levels in terms of the arts.

6
The Regional Politics of the Arts

Introduction

The increasingly important inter-organisational politics of the arts, as seen in Chapter 5, have had, perhaps, their clearest expression in the case of the regional level of state arts organisations. The working out of patterns of control, and the exercise of political power within the institutional setting in which the politics of the arts is played out, have been a continuous feature of this level since the RAAs were first established in the 1950s.

The period since 1979 has seen a developing process of change taking place whereby the regional level has been increasingly integrated into the network of control that the centre has sought to dominate, and has led to a series of developments that have aimed at least to limit the autonomy of regional arts institutions, if not disempower them altogether. Alongside this, however, there has been a campaign mounted by the regional arts institutions to increase their share of power and responsibility in the policy sector. How and why this developing political struggle has taken place and its consequences for the arts forms the primary focus of this chapter.

The development of the regional level to 1979

As Chapter 3 has shown, the regional dimension of state involvement in the arts was a long-drawn-out process, going back to the development of the RAAs from the mid-1950s onwards as

a response to the closure of the ACGB regional offices. The perceived metropolitan bias of the arts funding and support systems, and the desire to develop local responses to local arts needs, led to the creation of a local government-dominated organisational system at the regional level across England. Smaller regionalised systems also developed in Wales, centred on the industrialised south and the north-east of the Principality, but these were always of small-scale significance when compared with the RAAs, particularly in the light of the already regionalised system of arts support exercised through the Welsh sub-committee of the ACGB and the later-established ACW.

From the start the RAAs were heavily dependent on financial support from the ACGB, although local authorities were themselves significant actors in this area. During the early development of the system of RAAs the income derived from the ACGB declined. However, the proportion of RAA funding that was granted from ACGB resources began to increase from the mid-1960s onwards (see Table 6.1). This was particularly marked by the late 1970s when the income derived from the ACGB far outweighed that from any other source.

The relationship between the RAAs and the ACGB was a key factor in the development of the regional tier in the arts policy sector both before and after 1979. The changing financial balance of dependency between the two was, however, only a part of a much more complex set of relationships that illustrated the structural problems that were entrenched within the arts before the changes of the 1980s and 1990s took place. The working through of the new set of relationships between the national and the regional levels that these changes represent can thus serve as an illustration of how far the reforming agenda of British governments has been capable of resolving the structural tensions that existed, and still exist, within the system.

In 1976 it was claimed that 'if Regional Arts Associations ... did not exist ... we would have to invent them' (Redcliffe-Maud, 1976, p. 37). Such a dubious claim requires justification and it was generally accepted that the gap between the central mechanisms of support in the ACGB and the localities in the provision of the arts was too great to allow for a truly national coverage. The perceived need to cover the gaps in promotion and coordination that had been created by the closure of the regional offices of the ACGB in the 1950s had led directly to the creation of the RAAs (Harris, 1970, p. 91; Witts, 1998, p. 463).

Table 6.1 Sources of RAA Funding, 1957–79

	Arts Council	*Local Government*	*British Film Institute*	*Crafts Council*	*Other*
1957/58	91	–	–	–	9
1958/59	88	–	–	–	12
1959/60	66	–	–	–	34
1960/61	60	–	–	–	40
1961/62	26	30	–	–	44
1962/63	26	45	–	–	29
1963/64	39	52	–	–	9
1964/65	47	44	–	–	9
1965/66	42	46	–	–	12
1966/67	46	43	–	–	11
1967/68	45	40	–	–	15
1968/69	51	37	–	–	12
1969/70	46	34	1	–	19
1970/71	53	32	1	–	14
1971/72	56	29	1	–	14
1972/73	65	23	1	*	10
1973/74	67	23	1	*	9
1974/75	60	24	2	*	13
1975/76	63	24	3	1	9
1976/77	67	21	3	1	8
1977/78	69	18	3	1	9
1978/79	71	15	3	1	10

Notes:
1. All figures are percentages of total income derived from different sources
2. *: less than 1% of RAA income

Source: Annual Reports and Accounts of the Regional Arts Associations

The establishment of autonomous organisations that drew their authority from their constituent members, rather than directly from the centre, was almost guaranteed to create friction within the arts establishment, and, indeed, this is what happened. The support for the RAAs that was expressed in the Labour Government's White Paper *A National Policy for the Arts* in 1965 was not fully recognised as being significant given the support for the arts in general and the promised increased funding for the ACGB that it contained and so the relationship of the RAAs

with the other constituent parts of the arts policy system remained unquestioned during the burst of reforming activity that followed these central developments.

Practice, however, served to illustrate that there were clear tensions present within the system, not helped by the fact that the RAAs themselves were not an entirely homogenous group of organisations. The motivating forces behind the creation of the RAAs had been different in different areas of the country; each had its own core of participants; and each was developing an interest in operating in a somewhat different fashion from any other RAA (ACGB/RAA, 1980), and, indeed, from the ACGB itself.

By the time that all 12 of the RAAs were established in the early 1970s it was clear that the fragmented nature of the regional system was beginning to introduce difficulties. The relationship of the RAAs with the ACGB was clearly problematic: the sheer range of structures that the ACGB was confronted with meant that it was becoming increasingly difficult for a clear-cut structural solution to be found to the problems that had been created by the absence of financial accountability and managerial relationships that the parties could accept and work with. The complexities of the situation regarding the relationship of the ACGB with the RAAs was compounded by the fact that many of the recipients of ACGB grant-aid had themselves developed close links with the centre. This meant that proposals that would weaken, or even abolish, these links were viewed with some trepidation. As so often in the fragmented system of arts support, conflicting requirements within the system gave rise to incompatible solutions to the perceived problems that existed.

Lord Redcliffe-Maud (1976) had identified some key problems affecting the relationship of the ACGB and the RAAs in a Report compiled for the Calouste Gulbenkian Foundation. The view in this Report was that the RAAs were an essential intermediary organisation between the ACGB and local government but that the role of the RAAs in the long term should effectively be reduced to a residual role as local authorities became more significant actors in supporting the arts. Until local government became more involved in this sense, however, the Report also stressed the need to bolster the role of the RAAs: something that appeared to be supported by the ACGB which was seen as wishing to devolve

all decisions to the RAAs except those that required a national perspective to be adopted (Redcliffe-Maud, 1976, pp. 37–41). Significantly, what these 'core' areas would be was not spelt out and continued to create problems for the arts policy sector as a consequence of the networks of dependence between the ACGB and the organisations that it directly funded became entrenched.

The implication that could have been derived from the Redcliffe-Maud Report was that the ACGB fully accepted the ability of the RAAs to be effective independent actors in the arts field, taking on many of the responsibilities of the ACGB and leaving the central core to concentrate on national and strategic issues, rather than the more mundane, if not prosaic, activities of grant allocation. Such a view, however, would appear to fall short of the reality of the working relationships between the two that had been developing.

Indeed the ACGB position with regard to the RAAs implied much more support for decentralisation rather than devolution, and for the development of an effective partnership between the two agents rather than a reallocation of responsibilities (ACGB, 1977, p. 15). Indeed the internal workings of the ACGB implied a view of the RAAs as handmaidens to the central core, following the lead laid down by central actors, rather than anything more dynamic and active. The establishment of a Regional Directorate within the ACGB in 1968 had caused more confusion within the system, as the duties and responsibilities of this Directorate were unclear, and there was an overlapping of responsibility within the ACGB with regard to regional activities (Redcliffe-Maud, 1976, p. 92).

The problems that were caused as a consequence of this were reflected by the steady diminution of interest and concern attached to the Regional Directorate which was abolished in 1976 (Clark, 1980, p. 35) and responsibility for regional affairs was made a part of the ACGB's Planning and Development Department and then transferred to a Policy and Planning Unit. The structural weakness of this arrangement, with regional concerns being sidelined by the centre, clearly indicated that the RAAs were seen as being 'essentially inferior and marginal' (Beck, 1995, p. 6) in comparison with the central activities of the ACGB related to funding.

Despite this lack of formal recognition for the importance of the RAAs, the ACGB still provided a rhetoric of support for the principle of devolved responsibility, arguing that the RAAs were 'the bodies best suited to deal with a large proportion of arts provision at regional level' (ACGB, 1980, p. 9). The gap between this rhetoric and actual policy however was not only evident but was becoming an increasing source of tension between the regional and national levels in the arts policy sector. This tension was affected strongly by the climate of public finance during most of the 1970s with local authorities, in particular, reacting to cuts in public expenditure by decreasing or cancelling the funds that they were prepared, or were able, to allocate to the RAAs.

By 1979 the relationship between the RAAs and the ACGB was deeply troubling as both parties had to adjust to a changed financial climate and to the new ideas that the Conservative Government was promising to introduce. The relatively weak political role that the RAAs had within the arts system was threatening their continued status as players in the game, and the seemingly dismissive view of the ACGB towards the RAAs provided no encouragement to them to view their future in a more positive fashion. This negative picture was to change – to some extent – during the 1980s, with a plethora of reports and proposals being made to shake up the organisational system that existed to deal with the arts.

From 'A New Relationship' to Wilding: the regions in the 1980s

Evans and Taylor (1994, p. 560) have argued that the RAAs were 'threshold organisations' at the end of the 1970s, operating on the boundary line 'between policy formulation and implementation'. Their status within the arts system certainly left their position as an exposed one. While they were independent organisations they were not of a size to provide them with financial or political 'clout' within the arts system, and their reliance on multiple sources of legitimacy and authority and their semi-detached relationship with the centres of power for the arts at a national level all served to limit the extent to which they could effectively stake a claim for a position of centrality within the policy sector.

Regardless of this weakness, however, the RAAs did have advantages available to them: they served as an effective clearing-house for arts activities that had a larger catchment-area than any individual local authority; they could call on a larger amount of resources for the arts than were available to any except the very largest local authorities; and they were developing their own network of regional and local participants that was not available to central actors – particularly as these central actors had their own fish to fry. In effect the RAAs had developed an independent position that while limited was becoming increasingly important for the arts at the regional level. Turning this into an 'insider' position, with direct access to the centre of the arts system, was another problem. The 1980s provided an opportunity to develop the independent role of the RAAs as a consequence of the increasing pressures that the existing system was coming under, and the demands and requirements that all of the participants in the policy sector were increasingly making.

While the focus of the ACGB was on the national level the role of regional and local bodies in providing state support for the arts was essentially limited, with no clear direction being provided from either the ACGB itself or from central government as to what should be achieved by these bodies, or how they should go about doing their work. The expressions of support for non-national bodies that emanated from the centre of the system required some form of official sanction, either through the provision of the resources that were necessary to enable them to be effective or through policy statements that could provide an alternative source of authority and legitimacy for the RAAs (and local authorities as well) that was pertinent to their role within the system.

The support that was given to developing a more effective *modus operandum* between the RAAs and the ACGB in the joint paper *Towards a New Relationship* (ACGB/RAA, 1980) was, in practice, extremely limited. Only one of the recommendations that were made was ever implemented, and even that only after pressure from the Ministerial level (Beck, 1995, p. 8). The paper did, once again, support the principle of some rearrangement of the

This internal decision of the ACGB, however, had little real impact on the allocation of funds for a number of reasons: partly as a consequence of the ingrained networks that already existed that were concerned about the implications of changing existing patterns of relationships; partly as a consequence of the distrust that the ACGB felt for the RAAs; partly as a consequence of Conservative Party backbench dislike for how the RAAs operated and what they spent their money on (Beck, 1995, p. 9); and partly as a consequence of the financial limits within which the ACGB was operating (Sinclair, 1995, p. 452).

To this extent, at least, it appeared that little change was likely to take place, particularly given the entrenched attitudes that had been developing over many years. A potentially significant change for the relationship of the ACGB and the RAAs did occur in 1985, when three chairs of RAAs were appointed to membership of the ACGB. This occurred as a consequence of Ministerial pressure on the ACGB (Beck, 1995, p. 8), rather than through a willingness of the ACGB to open itself to a regional voice – a point emphasised by the appointment of these chairs to act as 'individual' members, not as the voice of the RAAs at the centre.

The arts were also affected by the broader political context in other ways, particularly in relation to spending on the arts. The 'new' conservatism was highly critical of the role of the state in providing financial support to the arts. This, in itself, was nothing new, such criticism having been present almost from the time that the ACGB was first established. What was of significance was that the Prime Minister, Mrs Thatcher, appeared to share such a stance, arguing that:

> artistic talent ... is unplanned, unpredictable, eccentrically individual. Regimented, subsidized, owned and determined by the state, it withers (Thatcher, 1993, p. 632).

Her determination to run a 'business-like' state extended to the arts, with not only the attempt to boost private sector involvement in arts funding but also a call to bring 'business acumen and efficiency to bear on the administration of cultural institutions' (Thatcher, 1993, p. 632).

This view of how the arts should be organised and managed, and the distrust for state action in this field anyway, was supported by the apparent weaknesses of the existing system. The National Audit Office, for example, criticised the seeming lack of accountability that was displayed by the RAAs to the ACGB for the spending of their funds, particularly as the ACGB itself was, in turn, directly accountable to Ministers and Parliament for its own expenditure (Beck, 1989, p. 13). The internal pressures in the system of government that were represented by these lines of argument combined to create a situation where the problematic relationship of the ACGB and the RAAs became an increasingly obvious target to aim at. The gun that was aimed at the system took the form of the Wilding Report (1989).

The Wilding Review was established in December 1988 by the then Minister for the Arts, Richard Luce, to examine the funding structures for the 'visual and performing arts, film and crafts', paying particular attention to issues of RAA accountability, policy coherence between the regions and the national level, administrative structures and processes, and the administrative costs of the existing system (Wilding, 1989, p. 1). Apart from the last of these areas of concern all of these had been continuing issues in the relationship of the ACGB with the RAAs since the beginning.

Richard Wilding, the author of the report, had only recently retired as the Permanent Secretary in the Office of Arts and Libraries (OAL), at that time the unit of central government with overall responsibility for the arts, and it has been claimed that his proposals for reforming the arts funding system was explicitly the view of the civil service which favoured regional devolution and a downgrading of the role of the ACGB (Sinclair, 1995, p. 282). The actual proposals that were made viewed the problems with the arts funding system as being directly the consequence of structural defects in the existing organisation of the system and recommended a formalisation of the relationship of the RAAs with the ACGB through structural change. In essence a 'federal' system was recommended to overcome problems of duplication of effort and lack of accountability within the system. Instead of the RAAs and the ACGB operating as separate entities a clearly defined 'partnership' arrangement between them should be instituted, with each having separate lists of funded clients. The

RAAs should be replaced by seven Regional Arts Boards, with reduced local authority membership, the chairs of which would all be members of the ACGB.

What followed the making of these recommendations illustrates the difficulties in making effective reforms in a divided policy network such as the arts represents. The process of structural reform was not assisted by the fact that the period from Wilding reporting in September 1989 until the changes that were finally implemented were introduced in March 1990 saw three separate Ministers for the Arts involved – Richard Luce, David Mellor and Timothy Renton, each of whom took a different view of the form that change should take.

Luce's original proposals envisaged a reduction in the number of regional arts organisations to ten, each of which would have considerably reduced numbers on their boards. Local authority representation would be cut to less than half of the total. The new RABs would effectively operate on the guidelines controlling the ACGB, ensuring that policy consistency would be imposed through conformation with central choices. These proposals largely followed the structural logic of the Wilding Report without going as far as Wilding had proposed in terms of devolving responsibility within the system.

The replacement of Luce with David Mellor led to some tinkering with these plans. Principally these included a smaller size to the board membership of the new RABs (a reduction from 24 to 12 members), and changes to the appointment of the membership of the boards that had responsibility for the actions and decisions of the RABs. Luce had envisaged that the chairs of the RABs would be appointed from within the membership of the boards; Mellor replaced that with direct Ministerial appointment. Other board members would formally be appointed by the ACGB (after consultation with Ministers, RAB chairs and other interested local parties), except in the case of local authority members (whose numbers would be limited to one-third of the total) who would be nominated by the constituent local authorities within the area of the RABs themselves.

The Mellor proposals displayed an even greater centralist tendency than had those of Luce, where centralisation was limited to overall policy. In Mellor's case, Ministers would have a much

greater degree of control over the membership of the boards that had responsibility for implementing national policy, changing regional arts organisations from locally dominated qualgos to nationally dominated quangos (for the distinction between these see Gray, 1994, p. 25). The centralisation of the arts system that this implied was based on the core argument of financial accountability – the spending of public money being answerable to elected political actors, requiring chains of answerability to be imposed on the system that would clarify the distribution of responsibility and accountability for funding decisions.

The centralisation that underlay both the Luce and Mellor proposals was modified when, after only four months, the latter was replaced as Arts Minister by Timothy Renton. While Renton was prepared to consider a larger size for the boards of the new RABs he also asked the ACGB to prepare draft constitutions for the new bodies, implicitly establishing the principle that the RABs were to be subservient to the centre. On membership, however, more flexibility was proposed. Members of the RABs would only have to be approved by the ACGB, rather than directly appointed, with nominations emanating from panels of regional and ACGB representatives. The same procedure would cover the appointment of the chairs of the RABs, with final approval resting with Ministers.

The concessions over membership away from centralism were not of the same significance as the imposition of central control over policy and finance that the overall package of reforms contained. The solution to the problems that were seen to exist in the relationship between the RABs and the ACGB was to lie in a massive centralisation of authority and control over the system, with increased power and authority being centred in the ACGB (for policy purposes) and ministers (for membership and accountability purposes). This tendency towards an increased unification of the arts support system was assisted by the distrust for regional organisations that existed throughout the already centrally dominated system that was in place.

Wilding's original proposals over funding, for example, with a devolution of responsibility to the regions, were undercut by massive resistance from the recipients of grant-aid: Mellor proposed, for example, that 92 existing ACGB clients be handed

over to the RABs but 'so many clients refused to be devolved... that these figures were never realised' (Witts, 1998, p. 497; see also Sinclair, 1995, p. 331). The patterns of organisational linkage that had developed throughout the postwar period seemed destined to leave the regional tier as a poor relation: the increasingly intrusive intervention by central government throughout the 1980s did nothing to change this picture.

The regions in the 1990s

The new RABs commenced operations at a period of important organisational change for the arts sector. Shortly after their establishment the ACGB was divided up into its constituent units for England, Scotland and Wales and the DNH was established at the national level. Given the amount of change that was taking place at this period it is hardly surprising that the RABs found a new set of problems confronting them in place of those that the Wilding exercise was meant to overcome.

This was particularly true following the establishment of the DNH which rapidly sought to carve out an independent controlling role over all of its territory, of which the arts were only a part. Taylor (1997, p. 465) has argued that the DNH has changed position from the simple 'arm's-length' principle to one of 'arm's-length but hands on', and Quinn (1998, p. 279) sees the establishment of the DNH as an opportunity for the centre to exercise increasing control of the arts in accordance with governmental wishes. For the RABs this change in role on behalf of central government has raised new issues, particularly in terms of policy. While they are expected to implement agreed policy in line with ACE guidelines they are also expected to pursue the objectives of the DCMS, and these need not be the same thing. Indeed the potential for conflict within the system has not been satisfactorily resolved by the Wilding, and later national-level, reforms, primarily as a consequence of accountability within the system remaining confused. While the RAAs existed, their accountability was essentially downwards to their component parts (mainly local authorities); with the RABs accountability is largely upwards, to *both* the DCMS and the ACE, but also still downwards to local authorities who appoint members to them. This

split of loyalties inevitably left the lines of accountability within the system unclear, even if the increasing centralisation of the overall system implies a preferred option for where it should reside.

As a result of being pulled in different directions the importance of the policy framework within which the RABs operate becomes increasingly important. The failure of successive Ministers to devolve power and responsibility down to the RABs has created considerable confusion in the arts policy network. Witts (1998, p. 314), for example, sees the RABs as being an 'irrelevant network' that confuses the question of policy responsibility. Whether such a view is accurate is, at least, debatable. While the major devolution of expenditure from the centre to the English regions that formed a common part of the rhetoric of the 1980s never took place in the form that was proposed, the share of specifically English expenditure that was taken by the regions has grown to a position where nearly one-third of all arts expenditure funded by the ACE is now undertaken by the RABs (see Table 6.3).

At the very least this implies that the regions are becoming increasingly important policy actors in their own right, and that their relevance for the overall system of arts funding can not be discounted. Their significance in policy terms, however, is another matter. If the RABs are simply following the policy parameters that have been laid down for them by central actors (as Kawashima, 1996, p. 32 implies) they must remain as simply transfer agencies or 'money-moving organizations' (Dunleavy, 1991, p. 184) rather than as policy actors in their own right.

The extent to which the RABs are willing to remain in such a subservient role is important not only for the RABs themselves but also for the ACE. Certainly there is a line of argument that the ACE should be downgraded in significance (or abolished altogether; see Pick, 1991) and its place taken by a much strengthened regional tier (Taylor, 1995c). To see such a change take place, however, would require a further restructuring of the existing arts network. Unless central politicians, the ACE and the national clientele of the latter support such a change it is unlikely to occur in the immediate future given the weight of political power within the policy sector towards central actors.

Table 6.3 Proportion of Arts Council Budget Allocated to RAAs/RABs, 1979–97

Year	*RAA/RAB Share*	*Year*	*RAA/RAB Share*
1979/80	12.51	1988/89	24.52
1980/81	12.33	1989/90	25.05
1981/82	13.60	1990/91	24.84
1982/83	14.35	1991/92	21.29
1983/84	14.95	1992/93	23.23
1984/85	15.67	1993/94	23.34
1985/86	19.48	1994/95	31.03
1986/87	22.38	1995/96	31.21
1987/88	24.47	1996/97	30.75

Notes:
1. Sources: Arts Council of Great Britain/England, *Annual Reports and Accounts*

Commodifying the regions?

The development of the regional level of the arts support network illustrates the problems that arise in attempting to change a complex system that has grown through evolution, rather than being the result of conscious choice. The fragmented nature of the arts system during the period when the RAAs were established led to quite obvious structural problems for overall management by the national actors concerned. The absence of any coordinated, let alone coherent, framework for locating the intermediate organisations that were the RAAs created difficulties throughout the system.

Some of these difficulties that were created concerning accountability and policy direction could not be solved by leaving the system as it was. The process of change as it developed from the early 1980s onwards also showed that a continuing evolution of the system was unlikely to lead to a resolution of these problems. The entrenched positions that the actors within the system adopted had seemed destined to exacerbate the frustrations and in-fighting that had been developing since the 1970s. The regions themselves were seeking to develop an effective, independent position for themselves; the ACGB was attempting to exercise a meaningful central position for itself in line with its own priorities; the funded clients of the ACGB were mistrustful of the more localist orientation of the regions, leading to a resistance to change; and central government was choosing to remain largely aloof – until the 1990s at least – relying on persuasion rather than direction in managing the system.

In these circumstances the fact that considerable change has taken place at the regional level, and is possibly likely to continue into the future, requires explanation, as does the nature of the changes that occurred. To this extent the commodification thesis can be applied to see whether it can be effective in accounting for the development of the regional system at all. Clearly the four forms of change that the commodification thesis considers were all present in the case of the regional level, although their significance was different from that which was found in the case of the central core (see Chapter 5). A brief summary of the development of the regional tier in the context of commodification is required to justify this claim.

Organisational change was clearly an important element in understanding developments at the regional level. The establishment of the RAAs in the first place was a direct response to the abolition of the ACGB Regional Offices, and the replacement of the RAAs by the more centrally dominated RABs has had considerable implications for the future of the arts support system. The former was an independently led movement and the latter a much later reaction to this that was aimed at unifying the system into a more cohesive and more easily manageable whole.

The decision to undertake the reform of regional organisations had quite clear structural objectives on behalf of central political actors, although it could be argued that their perceptions of the inherent problems in the RAA system were different from those perceived at the regional level. The RAAs were in a process of becoming more organised as a power grouping following the development of the Council of Regional Arts Associations (CoRAA) from 1967 to 1981. CoRAA was 'increasingly bureaucratized and professionalized' (Evans and Taylor, 1994, p. 563) and became an increasingly significant voice for the RAAs in their dealings with both the ACGB and central government, developing a regional perspective on the arts system that differed considerably from that held at the centre, particularly in the ACGB itself.

The lack of clear patterns of authority and control between central government, the ACGB and the RAAs provided a policy 'gap' that CoRAA was increasingly intervening in. For the ACGB, as the main coordinating mechanism for the arts, this appeared to be a direct challenge to their centrality within the system, and a formalisation of the structures at the regional level (particularly one that would enhance the ACGB's position) provided an opportunity to reinforce its own position. For central government, on the other hand, the emphasis that was being placed on the control of public expenditure meant that the semi-detached nature of the RAAs, expecially in terms of financial accountability, weakened the capability for exercising meaningful control. For this reason reform became an imperative.

The critical point was that organisational reform was being driven by conflicting purposes from the centre downwards. While the shape of reform towards a more centralised and formalised system, was a shared aim for the ACGB and central government the reasons for seeking such a change were of a different nature. These differences arose from both the structural logic of the RAA system and from differences of ideological conception about what the overall system required. For central government the underlying factor was based around ideas of overall economic management (Beck, 1989, p. 14; 1995, pp. 10–11); for the ACGB the important point was the maintenance of the aesthetic and artistic principles within which it operated and which could not be guaranteed while the RAAs were relatively free from central policy direction.

Not surprisingly the end result of organisational change was something of a compromise between these positions although the overall centralisation of the system that followed on from structural reform was acceptable to both of the central actors involved. The fact that policy coherence has not been achieved between all of the regions and the ACGB indicates that the compromise that was reached has not resolved some of the major issues that surrounded organisational change, implying that further developments around this issue are likely to become increasingly pressing as time goes on.

An area where the centralisation argument may be thought to be weakened, if not negated, lies with the cases of Scotland and Wales. Until the imposed splitting up of the ACGB into the ACE, ACS and ACW, Scotland and Wales had been dealt with in a different manner from the English regions. Decisions about the arts in these two areas were formally made by sub-committees of the ACGB. In this respect the Scottish and Welsh regions were given a great deal more autonomy and devolved power than the English regions. The establishment of separate organisations (the ACS and ACW) to manage the arts was in many ways a bowing to the reality that the centre – both the ACGB and central government – had little meaningful role to play in these two geographical and political areas.

How far this hands-off approach is likely to continue in the aftermath of the establishment of the new assemblies for Scotland and Wales is open to question. Formal responsibility for the ACS and ACW rests with the territorial ministries – the Scottish and Welsh Offices – and, through them, with the Scottish and Welsh Assemblies. How far these are likely to leave the arts as a quiet backwater remains to be seen although it is quite possible that they may become increasingly politicised and answerable to the political centre as time goes on. This, of course, implies a centralisation of the system comparable to that which has been taking place in England.

Financial change has also occurred over time along a number of dimensions. While a full-blown devolution of decision-making about funding has not occurred the RAAs/RABs have seen their share of the available financial resources for the arts in England rise over time. This has largely been due to a considerable increase in funding from the centre rather than from extra local and regional contributions, leading to a growing reliance on the centre.

This centralisation of resourcing has served to reduce the role of local organisations in the activities of the RABs, a point that was emphasised during structural change by the marked reduction in local authority representation on the boards of the RABs. A consequence of centralisation has been a marked increase in the demands that the ACE makes on the RABs to account for their expenditure decisions. Again, this has followed structural change and has led to an increase in the formalisation of the system, both in terms of accountability and in terms of management

practice. The RABs are now expected to provide financial plans on a rolling 3-year basis to the ACE (and through them to the DCMS and Parliament).

The financial changes that have taken place have been externally driven by the requirements of central government rather than being derived from internal views of the need for a longer-term planning of expenditure within the arts sector itself. The weaknesses of the arts sector as a policy arena, being perceived as politically relatively unimportant and a minor area of state concern, have contributed to a position where the arts have not really been able to mount any form of meaningful dialogue about what is appropriate to the sector in its own terms and, instead, have been slotted in to a framework derived from the concerns of the centre, particularly when the centre itself has become more powerful in policy and oversight matters.

Managerial change has occurred but it has tended to be seen as being of much less importance than the broader changes associated with organisation and finance. The introduction of planning mechanisms for finance are only one part of the changes that have been introduced: the increasing bureaucratisation of the regional level has actually been of greater significance. The growth of the regional tier led to a requirement for more professionalised forms of management and administration than had been required in the 1950s, and the development of CoRAA was an illustration of how far these trends had taken root by the 1980s.

Added to this internal dimension to managerial change, the pressures placed on the RAAs/RABs by external, primarily central government actors also had an effect. The drive towards a more proactive managerial style, in the form of chasing sponsors, for example, was directly affected by the encouragement given by central governments towards a wider base for financial support for the arts. Equally the entry of lottery money into the system has also led to a need to sharpen up managerial skills in the light of the information that is required, particularly financial information, when bids for lottery funds are being considered; with the same being true in the case of bidding for Single Regeneration Budget (SRB) funds as well. The RABs spend a great deal of time collaborating with arts-producing organisations in

the preparation of bids, as well as undertaking this task for themselves. As a consequence the bureaucratisation and professionalisation of the regional tier has made rapid advances in the last ten years and is likely to continue given the shift in climate that has taken place during this time.

The last area of change to consider is that of ideological change. In this respect the development of the RAA/RAB system illustrates the effects of both internally and externally driven change. In the case of the former there has been the movement away from well-intentioned 'amateurs' to an increasingly well-organised, 'professional', administrative set-up. While some of this was due to the increasing size of the regional level, particularly financially, some was also due to the location of the regions within the overall system of arts support. The developing role of the regions led to a situation where a more politically active form of organisation, capable of defending and advancing the cause of the regions in their dealings with, in particular, the centre was required. Alongside the managerial consequences of growth, especially in terms of bureaucratisation and professionalisation, this politicisation has had important consequences for the regional level that mirror those that have taken place at the centre itself. By increasingly acting politically, if not always effectively, as a pressure-group the regions have contributed to the overall acceptance of the importance of the arts as an arena for political conflict.

The external factors affecting the ideological dimension of the regions would have to include the structural issues affecting them, particularly their relations with the ACGB/ACE, and the commitment of central government to impose centrally derived requirements on the system. Both of these have encouraged the already present drift towards a formalisation of the system derived from internal pressures.

Conclusion

Clearly the regional level has been affected along the same dimensions of change as the centre, although with different consequences and for different reasons. What has been significant has been the extent to which many of these changes have

been assisted, if not imposed upon the system, by forces outside the immediate subject-matter of the arts themselves. This is equally true for Scotland and Wales where the new political motor for change that the Scottish and Welsh assemblies represent is likely to have a significant impact on the development of the system in these two geographical and political areas.

The problematic consequences of attempts to modify the arts policy sector illustrate the continuing nature of the reform process that has been in place since the 1980s at the regional level, and the difficulties that governmental actors face in trying to resolve complex issues. The problems that were seen to exist at the regional level were multi-faceted and were incapable of being resolved by simple direction or simple solutions. The continuing expectation of further changes to come within the regional establishment of the arts policy sector implies some support for the contention within the commodification thesis that attempts to reform complex policy systems will be the subject of continual political debate and pressure until such time as a new settlement can be achieved. The lack of such a settlement at the regional level at present implies that further changes are likely to be the order of the day for some time to come.

7
Local Government and the Arts

Introduction

British local government is big business. It accounts for around 25 per cent of all public expenditure within Britain (about £80 billion a year in total) and is responsible for a wide range of services from allotments and adoption and fostering to zebra crossings and zoo licensing (Wilson and Game, 1998, p. 84; Wilson and Game, 1994, p. 26). In this context the role of local government in providing and supporting the arts may appear to be only a small element in the totality of what local government is concerned with providing.

In some respects this is accurate: spending on the arts by local authorities is less than 1 per cent of their total expenditure, running at about £190 million per year (Arts Council of England, 1996, p. 23), and would certainly be considered less central to the work of local authorities than would their responsibilities for, for example, education and social services. However in other respects this underestimates the importance of local government for the provision of the arts in Britain as a whole.

The spending on the arts by local government is larger than that made by the ACE and the RABs, and is only slightly less than that made by the DCMS (see Table 3.2). Local authorities are also responsible for the provision and licensing of venues for the production of artistic events, funding theatres, orchestras and individual performers, commissioning works of art and providing background support and encouragement for arts

organisations. In addition, local authorities are now expected to produce local cultural plans that have important implications for arts provision (DCMS, 1999b). As a consequence of this, while the arts may be only a small element of what local government provides in total it can actually be of central significance for the continued survival of a large number of small and medium-sized local artistic enterprises and organisations.

At a local level, therefore, the role of local government can be as important, and often *more* important, for arts organisations than are the major elements of the arts support system – the DCMS, the ACs and the RABs. Understanding the role of local government in terms of the arts is therefore crucial for understanding how the arts policy system operates and needs to be examined. Local government itself operates in a distinctly different fashion from that of the national and regional parts of the arts policy sector, with a range of political factors in play that either do not exist at all elsewhere in the system or operate in a different fashion. The influence of these differences needs to be understood to assess why and how changes have affected this level of the arts support system and will form a key element of this chapter.

Local politics and the arts

The status of the arts in terms of local government differs within the United Kingdom. In England and Wales expenditure by local authorities is a discretionary matter; in Scotland it is a statutory duty; in Northern Ireland the provision of 'cultural activities' is also statutory. In this respect the position of the arts in Scotland and Northern Ireland would appear to be stronger insofar as local authorities must, by law, make some provision in this area. In England and Wales, on the other hand, there is no such legal force behind arts provision: local authorities *may* make such provision but it is not compulsory upon them to do so.

In practice, however, things are not this simple. Many local authorities across Britain have developed their own versions of 'cultural' policy which usually contain within them some provision for the arts. It could be argued that local government is actually in the forefront of forward-looking arts policy insofar as

the component elements of the arts policies in local government often cover a wider range of arts provision than are to be found in the policies of either the ACs or the RABs. As with so many other areas of the arts the reasons for this have little, if anything, to do with the arts *per se* and a great deal to do with the context within which arts policies are developed within local authorities.

Local authorities are multi-functional organisations, with accountability resting with elected representatives. Between them these ensure that the activities of local government extend beyond the concerns of any one particular set of service responsibilities. The overlaps and interplay between the range of services that local authorities provide lead to the construction of a policy mosaic, where a wide range of linkages between discrete policy areas serve to establish both intended and unintended consequences for the totality that create distinctly different patterns of service provision between areas with each local authority forming a distinct political system within the overall structure of British politics and administration (Stanyer, 1976). The result of this variability in service provision is that there should be no expectation of a consistency between local authorities in terms of their arts (and cultural) policies.

The preservation of local difference is an important ideological argument supporting independent local government (Sharpe, 1970) and can be used to justify not only differences in spending patterns but also differences in policy intention. As will be seen this has formed an important part of the role of local government in terms of the arts. The Audit Commission (1991, p. 12) has argued that the major justifications for local authorities providing support for the arts in their areas are: to promote artistic excellence and innovation; enhancing the quality of life for local residents and access to the arts; to promote social cohesion within communities; to provide the right climate for economic development through attracting tourists and investment; and to maintain the local 'cultural heritage'. Clearly these indicate that local authorities pursue the support of the arts for a range of reasons, several of which put questions of 'art for art's sake' in a secondary position, and implying that the aesthetic and artistic concerns that are such a central component of the ideological

and value consensus that exists at the national level are of a lesser significance at the local government level.

The development of local arts initiatives

The variation in *why* local government supports the arts and *how* it provides such support has a long tradition. The reluctance of central governments to become involved in this area is of importance here: the failure of the centre to actively pursue an arts strategy of its own left local government in a position where it could fill the policy vacuum that was created. However the weaknesses of the legal position of local government in this context meant that it was limited in what it could actually do. The dominance of the doctrine of *ultra vires* (where public organisations must have the legal right to undertake activities) meant that, for many years, local government was restricted to something of a regulatory role; granting licences for the provision of places of entertainment and, through local Watch Committees, providing a form of crude censorship of what was to be produced – a role that is still available to local government as, for example, when Westminster Council banned the screening of the David Cronenberg film *Crash*.

The ability of local government to move beyond this regulatory role depended upon the production of legislation that would allow the provision of financial, and other, support for the arts. The most significant move in this respect in England and Wales could be argued to be the provisions of Section 132 of the 1948 Local Government Act (the 'sixpenny rate' clause: Hodson, 1986, p. 3) which allowed local authorities the discretionary freedom to raise money for the provision of entertainment. Following legislation expanded the legal right of local government in this field, with Section 145 of the 1972 Local Government Act removing the limits to local authority expenditure on the arts and entertainment that had been established in 1948, and providing 'comprehensive powers enabling them to provide or assist cultural activities' (Marshall, 1974, p. 16). Section 137 of the same Act allowed local authorities the right to spend money on any activities that were for the general benefit of the public and which were not specific duties of local authorities, and the monies raised through this became an important element of local expenditure on the arts.

The provision of this statutory framework was essential in marking the move from regulation to direct provision and was soon made use of by local authorities. During the 1950s and early 1960s there was some harmony between what local authorities and the ACGB were doing. There was a firm concentration on traditional 'high' arts, based around companies and orchestras located in fixed buildings. Indeed a survey undertaken by PEP in the mid-1960s estimated that 43 per cent of all expenditure on the performing arts in Britain by local authorities was dedicated to halls and buildings rather than direct production (PEP, 1966, p. 14).

A consequence of the structure of local government itself at this time was that there was a clear division between urban and rural areas. The former had greater financial resources available to them and subsequently spent much more on the arts than did the collection of much smaller suburban and rural local authorities that then existed. This concentration on urban areas had some impact on the national level with the development of the ACGB policy for 'housing the arts' in the 1960s (ACGB, 1959; 1961), with the intention of providing more arenas for artistic performance to take place that would extend venue provision away from its predominantly urban base.

This policy could be seen to be a result of local government's overall unwillingness to develop a clear set of policies for the arts themselves leaving room for the ACGB to intervene itself. As such local government was not, of course, alone as central government was also loath at that time to undertake such a strategy itself. Whether such an approach of major capital provision could have been meaningfully developed by local government at the time is unlikely. The increasingly perceived weaknesses of the structure of local government in Britain at that time, as highlighted in the Royal Commissions that were established in the 1960s to review this area (Herbert, 1960; Redcliffe-Maud, 1969; Wheatley, 1969), implied that the policy consequences of the existing structure militated against forward-looking and radical changes to ingrained patterns of activity. As the arts were effectively a new, and discretionary, area of work for local government

it is hardly surprising that major departures from the tried and true were very few and far between.

Indeed support for the arts in local government itself was limited, both financially and ideologically. The amounts spent on the arts were small, with only the largest urban authorities spending much in absolute terms (the GLC, for example, spent around £1.5 million in 1973/4), and as a proportion of local government expenditure the arts consumed well under 1 per cent of total expenditure (Marshall, 1974, p. 12). The ideological problems were more concerned with whether local government *should* be involved with supporting the arts in the first place: in South Yorkshire in the mid-1970s a councillor who had objected to the size of a proposed grant to the Crucible Theatre in Sheffield was accused of being a 'cultural luddite with all the sensibilities of a cash-register', but such defences of the role of local government in terms of the arts were few. More usually the arts were seen as an 'extra' that deserved attention only after statutory services had been taken care of, and which were only one of many deserving causes that Section 137 money *could* be spent on.

In general terms the position of the arts in local government by the end of the 1970s was a weak one. The arts themselves were certainly a minor service area for local authorities, with the emphasis on 'traditional' forms of provision, based around professional production in established buildings. The reluctance to move far from the regulatory role that had developed over many years meant that innovation was limited, largely to the major urban areas. As far as developing effective policies for the arts, in many cases this amounted to no more than agreeing to contribute funds to the relevant RAA, rather than to adopting a proactive role, actively providing 'in-house' direct provision and financial support for the arts.

The variation in arts activity that local government demonstrated up to the late 1970s was reinforced as a consequence of the cuts in public expenditure that were imposed on local government following the economic crisis arising from the oil price rises of the early 1970s. Local authorities reacted differently to the new fiscal pressures that they faced: in Scotland, for example, spending on Leisure and Recreation (under which heading most direct arts expenditure fell) saw both considerable increases and

cuts across District Councils during the late 1970s (Midwinter and Page, 1981, pp. 72–73). As a discretionary area of expenditure, however, the arts were a policy commitment that, in general, saw a reduction overall in expenditure upon them as statutory services were able to make a larger claim upon resources at a time of cutbacks.

This position, where the arts were one of several 'cinderella' services in local government, meant that the role of local government during the 1960s and 1970s, while being of some importance in the larger urban areas, was limited. This limitation was to be revised during the following years as a result of new thinking about the role that the arts could play for local communities, and how the arts could contribute to other areas of public policy as well.

Economics, the arts and local government in the 1980s

Developments in the early 1980s had a profound impact on how local government interacted with the arts community, and led to a new perspective being adopted towards the arts. These developments were politically driven and were motivated by concerns that went far beyond the interests of the arts themselves. It is possible that without the impact of these wider concerns the role of local government in terms of the arts would have remained as limited as it had in the first part of the postwar period, demonstrating the essentially secondary policy position of the arts in the totality of British politics once again.

The major factors that led to the creation of a new approach to the arts in local government were, firstly, the search for change in local government both as an institution and as a service-provider initiated by central government after 1979, and, secondly, the development of new ideas about how local government should operate from both the left and the right of the political spectrum. Between them these factors created a climate of change within local government that continues to the present and which has extended far beyond the arts to affect every aspect of local government (see Wilson and Game, 1998 for a full discussion of this). The change agenda in local government paralleled what

was occurring elsewhere in the public sector during this period, affecting every part of the machinery of the state.

Amongst the many significant changes in the structure, functions and operating procedures affecting local government that occurred during the 1980s and 1990s, the most important specifically affecting the arts was probably the election victory of the Labour Party in the GLC elections in 1981. The GLC experience in the period between 1981 and its abolition in 1986 had a significant impact on how the arts were managed in local government, not only in London but in the rest of the country as well.

The arts policies of the GLC in this period were designed to support a political strategy (Bianchini, 1991, p. 6), and understood the arts in a political fashion. The intention of an arts policy was no longer to simply support the traditional 'high' arts within London but to use the arts as part of a *cultural* policy aimed at escaping from the usual models of the arts as tools for enlightenment and enjoyment and, instead, to provide disadvantaged groups within the community with their own voice. This 'empowerment' strategy meant that there was a considerable devolution of 'power and resources' (Bianchini, 1991, p. 6) to community groups themselves, and a shift in focus away from the 'high' arts to more 'popular' forms of artistic production such as photography, popular music and video. The redefinition of 'arts' as 'culture' served as a starting-point for many developments within local government in later years (see Greater London Council, 1985) and, once again, marked a difference from the aesthetic and artistic principles that policy actors at the national level in central government and the ACGB held.

Alongside this reappraisal of what an arts policy should be for, the GLC also embarked on a process of using the arts for economic ends, although this took a rather different form from that which central government may have intended or wished in this period. While the ideological, managerial and policy pressures from central government were geared towards a version of political economy that emphasised the primacy of the private sector and the assumed efficiency of the market over political forms of resource allocation, the GLC experience in the early 1980s was still wedded to more traditional public sector ideas about the role of the state in economic development.

In this respect the role of the GLC was to view the arts as a policy area that could be managed to ensure the achievement of economic objectives. Again, the intrinsic value of the arts was a poor second in this context: the emphasis was on the importance of the arts as an arena for economic stability and growth rather than on the content of what was being produced. While this would appear to be a good illustration of the replacement of use-value by economic exchange-value, the mechanisms involved were not simply market-led ones but depended upon a state-led process of choice and decision about what should be supported.

The twin aspects of the GLC's strategy for the arts and the cultural sector displayed elements of both continuity and change with the previously existing situation. By using the arts as a focus for issues concerning economic policy the GLC was branching out from the older 'art-for-art's-sake' approach that local government – and the ACGB and the RAAs – were associated with; but the approach to managing this new departure for the arts was closely linked in with already existing preconceptions about how the state should operate to achieve its aims, this leading to the arts being subservient in policy terms to other policy concerns that state agencies had.

The London experience was significant largely because of the size of the artistic community in the capital: as this community was so large it necessarily became a focus for concerns about the local economy. Elsewhere in Britain this did not hold so true and it is unlikely that the rush towards treating the arts as a tool for economic development would have taken place so rapidly had it not been for the GLC. As it was, the acceptance of 'the economic importance of the arts' (Myerscough, 1988) spread rapidly through local government and has become a key factor behind many of the 'cultural policies' that exist in local government in the late 1990s.

This change in focus for local government found support elsewhere within the arts support system. The ACGB (1985) explicitly made a case for supporting the arts on economic grounds, arguing that the arts not only generated employment in their own right but also served as a mechanism for encouraging tourism and the concomitant expenditure associated with this elsewhere

within the economy. Likewise the ACGB also highlighted the role that the arts could play in urban regeneration processes, arguing that:

> the arts create a climate of optimism – the 'can do' attitude essential to developing the 'enterprise culture' this government hopes to bring to deprived areas (ACGB, 1988, p. 2).

Once again, the arts themselves were really of secondary importance in this process. What was important was that the arts served as a catalytic factor, bringing together a range of divergent interests, from the consumption interests of the 'service class' (Griffiths, 1993, p. 41) to the economic interests of developers and the social interests of disadvantaged groups within society. In this respect the politics of the arts in local government began to assume a quite distinct form from that which it had at the national and regional level. While local government has always been more pluralistically orientated than either central government or the world of quangos (which have often been created to escape from group pressures and interests – see Gray, 1994, p. 68), the 1980s saw a change from a position where the arts were a relatively quiet backwater of local interest to one where a range of interests could promote their own preferences and thus became an arena for political party and pressure-group politics to take place within.

The consequences of this development were that the arts became increasingly linked with more 'traditional' activities in local government, such as planning, rather than remaining in splendid isolation, and that local government began to increase the emphasis that was placed on the arts and local cultural issues as a policy focus. In some cases this took the form of no more than a promotional exercise in an attempt to increase the amount of tourism to particular local authority areas (Williams *et al.*, 1995), but in others the arts were increasingly being used as a direct tool for economic development, even if the evidence to illustrate the effectiveness of the arts in promoting this end is, at best, ambiguous (Griffiths, 1993).

The search by local authorities for solutions to seemingly entrenched problems of local economies has led to an increasing use of the arts as part of an overall strategy for change, particularly in urban areas where the results of overall national economic (and, in particular, manufacturing) decline have been most evident. Given the relatively underpopulated base of the arts policy sphere, apart from direct arts providers, before the 1980s and the fact that economic regeneration affects many disparate actors it should not be surprising that new political tensions have been generated as a result of this policy development for the arts. Strange (1996, p. 37), for example, argues that it will not be easy to integrate the processes of regeneration through the arts if only because of 'the diversity and range of interests involved'.

One result of this seemingly pluralist universe of interests is that the approaches that local authorities have actually adopted to the use of the arts in regeneration have been many and varied, reflecting the different processes of group mobilisation and integration that are to be found in different local authority areas. The approaches that have been adopted have ranged from the creation of 'cultural quarters', concentrating arts-related businesses and producers in one area (as, for example, in Sheffield and Huddersfield), to attempting to create world-class orchestras and performance arenas (as in Birmingham) (see Bianchini, 1991).

While the development of new approaches to *managing* the artistic sector has led to the creation of new approaches in policy *provision* in local government the variations between local authorities have, if anything, multiplied. The urban–rural split that was evident in the 1950s has not gone away: the survey by Williams *et al.* (1995, pp. 77–8) showed that three times as many urban authorities had specific arts officers in place compared with rural authorities, and that 76 per cent of urban authorities spent over £2.50 per capita on the arts compared with only 9 per cent of rural authorities.

The picture of a varied response to managing and providing the arts in local government is similar to what is to be found in other areas of local expenditure and is not simply confined to urban–rural differences. A key feature of local government is that it is dominated by party politics, with only 3 per cent of local authorities being effectively non-partisan (Wilson and Game, 1998, p. 260). The party in control of a local authority can have a significant effect upon the type of policies that are pursued, and

the manner in which they are implemented and managed. Feist and Dix (1994, p. 17) have shown that Labour-controlled local authorities spend considerably more on the arts than do Conservative-controlled ones, with Liberal Democrat-controlled authorities falling between these two extremes.

This variation in expenditure can partly be explained by the greater urban bias amongst local authorities controlled by the Labour Party but can also be linked in with the differing party ideologies that are at play. The Conservative Party, for example, being reluctant to become involved with the arts in the first place, and the Labour Party – as in the GLC example – being more active in promoting the arts for both political and economic ends as well as for artistic ones.

This simple view of the political parties in local government receives some support from the changes that took place in local government from the mid-1970s onwards. Both the Labour and Conservative parties in local government were influenced by new ideological currents that placed new emphases on what local authorities should be doing and how they should be doing it: with Labour being influenced by the New Urban Left (see Boddy and Fudge, 1984), and the Conservatives by the New Suburban Right (see Holliday, 1991). The changes that arose as a consequence of these developments were that more traditional bureaucratic systems of local government were replaced by a more politically assertive form of government. For the arts this led to a reappraisal from both left and right. Major Labour-dominated urban authorities began to utilise the arts for political purposes and to understand the arts as tools for political ends; Conservative authorities continued to question the role of the state in producing arts policies and tended to support market-led solutions to issues of arts provision.

While the ideologies underlying these approaches to the arts were poles apart they both contributed to a more economic orientation towards how the arts should be understood and integrated into the mainstream of local government activity. From the left this involved the use of the arts as part of some form of economic regeneration strategy; from the right it led to a weakening of support for positive involvement. Even so the extent to which these approaches permeated across all of local government is

questionable, and was largely determined by the politics of localities. Many local authorities continued to operate in fairly traditional ways, undertaking the same activities that they had in the past, and managing these as they had in the past as well.

Change, however, has become something of the norm for local government over the past 25 years and even while the management and support of the arts by individual local authorities may have remained relatively constant over this period the context within which these activities take place has undergone considerable reappraisal. As a result of this process of change the arts have actually had something to offer to the rest of local government, even if, as a policy area in its own right, little direct reformulation has taken place.

Local governance and the politics of the local

Perhaps the most significant changes to local government that have developed over recent years have been concerned with the development of a system of local *governance*, as distinct from local *government*. In this development the older role of local government as a single provider of state services is replaced by a complex inter-organisational network which incorporates public, quasi-public, private and voluntary organisations that are tied together by policy and resource dependencies upon each other. These networks are only imperfectly controlled by state organisations, which are only one set of participants amongst many, and are governed by 'rules of the game' negotiated by the participants (see Rhodes, 1999).

This change in the nature of the government of localities has led to a diminution in the central, strategic capability of local authorities in many areas of work. The creation and management of new forms of service delivery and control has led to a fragmentation of previously almost monolithic patterns of single-organisation hierarchical systems of state bureaucracy, replacing these with more politically complex networks of participants.

The arts, of course, have always operated in this sort of context since the creation of the fragmented system of national, regional and local provision and support of the arts in the post-war period. Indeed, local authorities contributed to this situation

through their key role in the establishment of the RAAs from the 1950s through to the 1970s (see Chapter 6). The fact that the arts are not necessarily location bound, either as a result of touring policies by performing companies or as a consequence of the catchment areas for performance extending beyond the boundaries of any single local authority, means that some form of inter-organisational working for the arts is almost inevitable, particularly given the diverse nature of financial support that exists as a consequence of the fragmentation of the organisational universe that exists in the arts policy sector.

The key feature about the move towards new forms of local governance has been that the networks that impinge on the arts have broadened in scope and complexity through the attachment of the arts to many more policy areas than had previously been the case. The case of urban development and redevelopment is instructive here: the processes involved in these activities necessarily incorporate a wide range of concerns from the physical environment (planning, development control, housing) to the social environment (education, health, social services, leisure and the arts) (Bianchini, 1990). The linking together of these concerns – and, indeed, the component parts of local authorities themselves – requires different organisations to work together to create an holistic approach towards the given end of redevelopment. In this context the arts as a component element of this policy mix become a central political concern, helping to account for the drive to view the arts as an essential part of economic redevelopment strategies in many urban areas.

Such integrative strategies are not always, however, successful. The continued existence of entrenched departmental and professional lines of demarcation inside local authorities can lead to a failure to ensure adequate cross-boundary working. This has been particularly the case with education, where there has been 'little cross-referencing or joint policy planning' (Bond and Roberts, 1998, p. ii), and even more so in the case of local authorities which give the arts a low priority rating. Once again, the case for successful internal integration of policy areas shows great variation across local authorities, with some being more effective in the drawing of such links than are others. The introduction of cultural planning as a policy initiative to overcome these integrative problems has been a recent development in local government but is, as yet, still at an early stage of development.

At the level of inter-organisational linkages the picture is even more patchy, depending upon which network is being examined. In terms of the arts in England there does exist an integrative mechanism through the Arts Liaison Committee of the ACE. This committee includes representatives of the ACE, the RABs and local government. The latter are represented via the Local Government Association (LGA), which is the collective voice for all local authorities within England (with a separate sub-section for Welsh local authorities). Appointment from the LGA is on the basis of a complex political balancing act between parties, type of authority and geographical area. The role of the Liaison Committee depends upon the approach that is adopted towards it by the ACE itself: it has changed over its existence from being simply a mechanism for pooling information to a more active role discussing issues of policy, particularly as this affects such issues as regional and local imbalances in arts provision. Similar arrangements exist in Scotland and Wales for making some link between the centre and the localities.

Alongside the relatively formal links between parts of the state machinery that the Liaison Committees represent, local government has increasingly been drawn into complex webs of organisational complexity as a consequence of the development of governance. Some links of this sort have always existed for local government but they have become more important not only as a result of the policy fragmentation engineered by the centre, largely through the introduction of a large number of new quangos, qualgos and quappos, but also as a result of an increasing assertiveness by local non-state groups operating as traditional pressure-groups.

The development of effective local pressure-group activity introduces a new element into the governance equation by shifting the emphasis away from the relatively formalised, bureaucratic and professionally dominated forms of state organisation towards a more open and politically complex form of inter-organisational politics. While the traditional model of British government emphasised the relative openness of state organisations to pressures and demands from the general public this was usually more

observed in the breaching thereof than its fulfilment. From the 1970s onwards, however, local government has increasingly started to reflect this model through the creation of more pluralistic forms of political mobilisation and involvement, based around more open issue networks, more sophisticated levels of public participation and greater encouragement from local authorities for effective involvement in their activities.

By increasing the level of involvement of outside interests, local government has introduced a new element into the policy-making equation by no longer relying solely on internal mechanisms for creating policy demands. The result of this has been to establish a more 'open' local government, even if the extent of this 'openness' is very varied around the country and across local authorities (see Lowndes *et al.*, 1998, ch. 2). To some extent this form of public involvement has always been present in local government and recent developments in this field could be seen as simply an extension to existing practice, incorporating more policy areas and more groups than used to be the case.

Certainly this could be argued to be true for the arts insofar as the range of groups that are increasingly influential at the local level for this policy area are no longer simply the 'usual suspects' of the dominant professional arts oligarchy, operating on its own bedrock of aesthetic and artistic principles, but have begun to include sets of actors who, in the past, would not necessarily have been actively associated with overtly political involvement at all, let alone with the arts in particular.

Two examples to illustrate the new local politics of the arts can be found in the development of new music venues in East Anglia (Street, 1993a, 1995), and the failure to construct the new home for the Welsh National Opera in Cardiff to the design of Zaha Hadid (Crickhowell, 1997).

In the case of the former local authorities in Norwich, Ipswich and Cambridge found themselves confronting similar demands for the creation of new performance spaces for rock music. While these demands were met in the cases of Norwich and Cambridge those in Ipswich were not. The groups that were pressurising the local authorities involved were classic single-issue groups; self-generated in the case of Norwich and Ipswich and prompted by the local authority in the case of Cambridge (Street, 1995).

The differences in success of these groups can be associated with a number of factors that lay outside the artistic merits or otherwise of the cases involved and depended more upon the personnel involved, their openness to examples from other local authority areas (particularly the example of the GLC), the effectiveness of group lobbying and the receptiveness of the local authority to the case that was being made (Street, 1993b).

In the case of the proposals for the new Opera House in Cardiff the range of participants involved was different. Instead of organised collections of private individuals, with their own private goals to pursue, there were a range of organisational interests involved, each of which had disparate goals behind their choices and decisions. These interests varied from the Welsh AC, the local Urban Development Corporation (a second quango), the Docks Corporation (a private institution) and the local authorities (both County and District Councils) to private groups and organisations, including the local newspaper (see Crickhowell, 1997).

This collection of organisations and individuals clearly made the successful provision of the Opera House a much more complicated affair than had been the case for the East Anglian examples in which relatively few interests had been involved. The organisational complexity of Cardiff local politics assisted in the failure of the proposed Opera House through an inability to marry together the competing interests involved.

In both examples an understanding of the relative failures and successes depends upon a grasp of the precise local circumstances involved as well as the policy issue itself. The establishment of new performance venues in each example was only a focus for the complex interweavings of a range of local interests, and it is these interests that are of greater significance than a generalised view of the role of the arts at local level. The arts themselves only became important in each case as a sort of bolt-on extra and issues of artistic significance or aesthetic principle were hardly involved at all in the political game that led to the final outcome.

What mattered in each case was the politics of the local, and this is a key factor to bear in mind. While central government has not effectively served to dominate the arts policy sector at a local level, and while the ACs have concentrated on certain artistic principles and certain types of providers, local government

has been left to manage the arts in their own fashion. Often this has led to the arts being side-tracked as a minor policy concern of little political significance for local government, but it has also enabled the development of a varied local arts scene as a result of local choice. In this context the precise governance networks that have been involved in the development of local arts policies have a crucial significance, and their importance for understanding local choices cannot be overestimated.

The differences in artistic provision between local authority areas cannot be seen as being simply, or even largely, the consequence of the choices of central or regional political actors in the sphere of the arts, instead it depends upon local factors being managed by local actors. This helps to account for the attachment of the arts to, for example, economic development issues in some areas but not in others, and also to make some sense of the differences in expenditure between local authority areas on the arts.

Accounting for change

The role of local authorities in providing, supporting and encouraging the arts in their local areas has changed considerably since the Second World War. Equally the view of the importance of the arts for local areas has undergone change, from the provision of entertainment, pure and simple, and the regulation of the arts to the use of them as tools for the economic revitalisation of, in particular, urban areas. Making sense of these developments is as important as explaining precisely why local areas differ between themselves in their provision of the resources that the arts need to survive and flourish.

In terms of financial change the most significant development has probably been the introduction in Scotland of a statutory duty for local authorities to make provision for the arts under the terms of the Local Government Scotland Act in 1994. This Act was the first to *force* local authorities in Britain to undertake such activities, implying a commitment to spend money on the arts by law. In England and Wales financial change, and in particular increased expenditure, has arisen as a result of attaching the arts to other policy areas. The weakness of the arts in British local government has always been the result of the discretionary nature of expenditure on this area. The development of a statutory commitment to the arts in Scotland has thus been of great significance, if only for a part of Britain.

As far as specific financial changes have had an effect it has largely been seen to be a negative one (Kawashima, 1997, pp. 32–3). The squeeze on discretionary expenditure within local government has led to marked reductions in revenue expenditure on the arts in the immediate past, with 30 per cent of authorities reducing such expenditure between 1991 and 1993, and 37 per cent making such reductions between 1992 and 1994 (Marsh and White, 1995, p. i). Such reductions, however, need to be seen in the long term. The granting of local authority discretionary power to spend money on the arts in 1948 was a major step forward in support for the arts in Britain, and the recent reductions in financial support need to be seen in the light of the overall growth in such expenditure since 1948.

Local authority financial support is a major part of the overall money spent on the arts in Britain, although the local variations between authorities means that there are still major gaps in provision between areas. The pressures on local authority finance, particularly since the mid-1970s, have, if anything, served to increase such disparities. They have also, however, encouraged the development of new approaches to the funding of the arts that have led to the attachment of support for this policy area to other ones – not only economic development but also, for example, the continuing role that the arts have in terms of educational expenditure.

The changes in finance show the way in which developments in the arts sector at the local authority level feed off each other, developing a momentum of change that extends far beyond the internal boundaries between policy areas inside local government. This interconnected policy development has been rife in local government since the early 1970s, increasing in intensity and effect the more that changes have been introduced into the local political arena from both exogenous and endogenous sources. The arts have clearly been affected by the multiplicity of reforms that have taken place but usually as a side-effect of these reforms rather than directly.

This can be seen with the issue of organisational change at this level. Major structural reorganisations of local government have taken place in 1963 in London; 1974 in England and Wales; 1975 in Scotland; 1986 in London and the Metropolitan areas; from 1995–98 in England; and in 1996 in Scotland and Wales (see Wilson and Game, 1998, chs. 4–5). These have not only redrawn the map of local government in Britain but have also led to a reallocation of services within the system: Leicester City, for example, has gone from being a County Borough responsible for all local government services, to a District Council, responsible for only a few services, and back to a Unitary Authority, responsible for all services once again. These rearrangements inevitably have an impact on how local services interact with each other, allowing for new connections between services to be drawn however they are structurally allocated, contributing to a continuing formulation and reformulation of governance networks.

A major result of this is that the arts have undergone a process of almost continual rearrangement, helping, as a consequence, to limit the extent to which the arts have been able to carve out a clearly identifiable home at the local level. The outcome of this is that the arts have had to develop in local government in a much more fragmentary way than was the case with either the central or the regional levels of government. This has served to keep the arts as a minor service responsibility in local government as it has had very limited chances to establish itself alongside the major statutory services of, for example, education, housing and social services.

Local authorities have also undergone major internal reforms as a consequence of new policy initiatives and directives from central government. These organisational changes have been largely, but not exclusively, concerned with changes in management and managerial style and have been driven by the new world of managerial efficiency that has been such a feature of British local government since the 1960s (on local government see Dearlove, 1979; Leach *et al.*, 1994: on 'managerialism' in general see Clarke and Newman, 1997).

The search for a more entrepreneurial local government through the development of such strategies as Compulsory Competitive Tendering (CCT) (*see* Wilson and Greenwood, 1994) has led to

major changes in the manner in which local authorities view their functional responsibilities. Instead of the maintenance of traditional managerial styles, local authorities have increasingly experimented with new forms of organisation and management, leading to a fragmentation of roles and approaches to the management of local affairs (Wilson and Game, 1998, ch. 20).

Not surprisingly these differences have been reflected in how the arts are managed at the local level, ranging from the development of new consultative processes to evaluate how policy is actually working (or not) (Evans, 1997), to major investments in production and planning for the arts (Sargent, 1996). These developments are not simply a matter of local choice pure and simple: instead they have grown from the new context within which local government is operating. Managerial change opens up the possibility for new thought about what choices are actually available for consideration, and how these choices can be managed.

This does not, however, mean that local choice is becoming less relevant to local authorities. Indeed the arts show that a wide variety of options can be adopted thus maintaining the local variation in policy that is part and parcel of local government. The fact that managerial regimes themselves vary between local authorities should lead to the expectation that there will be a concomitant difference between local areas in terms of how these variations are worked through in the case of the arts and this *is* the case, emphasising, once again, the dominance of local distinctiveness in the affairs of local government.

The final area of change to consider is that of ideological change. Clearly the development of the arts policy sector demonstrates that the underlying beliefs about the place of the arts in local areas have undergone considerable change from the traditional 'safe' view of the immediate postwar period. The attachment of the arts to other policy commitments, particularly economic development issues, shows how the arts can be made a part of whatever local authorities choose to make them.

This illustrates the weakness of the arts in local government terms in that the arts carry little political or policy significance by themselves at a local level, and only acquire these by their association with other issues. The local variation between local

authorities demonstrates that local choice over these associations is an important factor in accounting for the differences that exist: areas with little concern about economic development, for example, are unlikely to adopt a positive view of the arts for this purpose. From the viewpoint of the arts themselves this may be seen as a regrettable result as issues of aesthetic value may be downgraded in the search for some form of policy relevance in other ways, but from the viewpoint of local government as a whole the pressures that it has been facing make such searching a necessity.

The challenge of the local

Clearly, the range of changes that have been facing local government in terms of the arts over the last 30 years have had a confusing impact. It is much more difficult to identify simple effects arising from these changes at the local level than it was for developments at the national and regional levels. While the creeping centralisation of the arts as a policy sector at these levels is apparent, the local picture is much less clear-cut as a result of local differences. The combined effect of financial, ideological, organisational and managerial change at the local level is distorted through the peculiarities of local choice and the circumstances in which individual local authorities find themselves. Generalisations, therefore, are difficult to make except in the broadest terms – something that makes them not entirely useful.

A generalisation that *can* be made with some certainty is that the arts in local government have tended to follow what is occurring elsewhere within the local government system. While the arts may have been given a new policy importance in some local authorities, in many others it has been an essentially *reactive* policy area, adapting to exogenous changes, rather than a proactive one, developing on the basis of endogenous factors. The diffuse impact of externally driven changes on the arts has largely been through the restructuring effects that they have had on the totality of local governmental activity rather than as a consequence of specific policy choices aimed at the arts themselves.

As a relatively small policy area (especially financially) for local government the arts have always been in a relatively weak position. It is a moot point as to whether the increased significance for the arts in Scotland, as far as they are now a statutory duty there, will change this position, and whether this will serve to stimulate new political pressures in England and Wales for a similar upgrading. Certainly the discretionary nature of the arts in English and Welsh local government leaves them vulnerable to external political events and choices to a greater extent, perhaps, than is the case with other statutory services.

In terms of the dimensions of change that make up the commodification process the arts at the local government level have been affected in general terms through the imposition of new regimes. These new approaches have given the arts a general boost through the manner in which they provide a new settlement for local government that can encourage more strategic visions about local authority services. As the arts can contribute to political ends in a large number of other policy areas their significance for local authorities, as they search for a new role in the organisationally complex world of local governance, becomes increasingly important.

This importance, however, needs to be demonstrated before it can be acted upon and it is true to say that the varied approach to the arts in local government does not make this a foregone conclusion. As the examples of rock venues in East Anglia and the failure of the original proposals for a Welsh National Opera House demonstrate, decisions about the arts in local government operate on different criteria from those at the regional and national level and are quite clearly political, and especially party political, in nature. This means that the arts need to be shown to be 'useful' in local government terms, and these terms may be, and often are, based upon different ideological perceptions from those that dominate the arts as a policy sector at the national and regional levels.

Overall, then, while the arts at local government level are an important component of the totality of arts provision and support within Britain their treatment at this level is quite distinct from that which operates elsewhere within the system. The exogenously driven changes that the arts have undergone in local

government reinforces the image of them as a minor political concern, even if they are as political as any other service that local government provides.

The lack of political muscle that the arts have leads to a position where policy reaction to external events is the dominant form of activity associated with this policy sector at the local level. How these external events are interpreted, understood and then acted upon will be influenced by local factors that only enter the rest of the arts system in an attenuated form through membership of the RABs and the ACE's Arts Liaison Committee. The distinct contribution of local government to the arts is through this expression of local difference and the possibility, where it exists, for a variety of approaches to the arts to be developed at a local level.

8
The European Dimension

Introduction

The increasingly important role that the European Union (EU) plays for the national politics of its member states has become something of a political truism and is simply another example of the erosion of national sovereignty that has been taking place as a consequence of the increasing interconnectedness of the world over the past 100 years (Nugent, 1999, pp. 1–2). The development of a meaningful political role for the EU has led to the creation of an increasingly complex set of European structures, decisions and policies that affect many areas of everyday life. This is potentially as true for the arts as for other areas of policy, although there are certain peculiarities of the arts that make them different, in EU terms, from, for example, agriculture, trade and immigration.

Alongside the developing role of the EU itself British governments have also been affected, to some extent at least, by the examples and lessons that other European countries have provided in terms of the arts. This chapter will discuss both of these dimensions – the EU and the cross-national – to identify how these have affected the development of arts policy in Britain, and whether there are any similarities across Europe that can serve to clarify any particularly British features of arts policy.

The commodification thesis implies that there should be national differences in policy terms as the impact of large-scale changes in the international political economy of the world are interpreted

and given effect in different settings. Equally, it implies that while the precise detail of policy will vary across nation-states there will also be similarities between them at the strategic level. The extent to which either, or both, of these are true will thus present evidence to evaluate the utility of the commodification thesis for understanding political and policy change in the context of the arts.

'Culture' and the European Union

Given the original underlying view that the creation of a supra-national organisation within Europe, incorporating inter-governmental agreements, was concerned with the twin features of security and economic management (Dinan, 1999, pp. 1–6) it is not surprising that 'culture' in general, and the arts in particular, have consistently received scant attention within the EU and its predecessor organisations. The Treaty of Rome of 1957 which established the European Economic Community (EEC) only mentioned these sectors in the context of economic activity: allowing for the exemption of cultural goods from free-trade provisions on the grounds of patrimonial inheritance and fleetingly referring to cultural 'development' in non-member states (Fisher, 1993, p. 6).

While this could imply that the arts were basically outside the remit of the original European institutions such was not, in fact, the case. The development of integrating machinery for the economies of the member-states led to the creation of a large number of policy initiatives that affected the arts, even if only as a by-product of the broader economic objectives of creating a single (free) market across Europe. Examples of such action could include the use of financial resources from, for example, the European Social Fund or the European Regional Development Fund to support the arts, or the use of European legislation on copyright, taxation and state subsidies to affect access to funding for the arts and individual artists (see the summary of how European action affects all of these areas in Scott and Freeman, 1994).

In the specific case of the development of arts or cultural policies for or within Europe, however, European institutions have been slow to act. It was not until 1973 that the European Parliament used the Treaty of Rome as a mechanism to incorporate cultural action into the ambit of European activity by calling on the EEC to actively promote culture, providing some funding to support this aim, and setting a target of 1 per cent of EEC funds to be spent for this end. This financial target has never yet been met and is unlikely to be so for many years to come.

The European Commission (EC), the bureaucratic backbone of the European enterprise, began to concern itself with cultural affairs later in the 1970s when the first of three policy papers was published (Commission of the European Communities, 1977; followed by 1982 and 1987). These papers argued that the Community could benefit cultural activities, indirectly and directly without claiming 'any role for itself in cultural policy-making' or any undermining of national governments in this area (Kirby *et al.*, 1992, p. 8). While the EC was the originator in considering culture and the arts as part and parcel of community activity, other elements of the governing institutions that exist at the European level also began to become involved. The Stuttgart Declaration from the Council of Ministers in 1983, for example, moved the process of developing a trans-national cultural policy (of sorts) forward by emphasising the importance of cultural cooperation for developing a European identity within member-states. This led to the establishment in 1985 of the programme of naming one European city each year as *the* European City of Culture (Forrest, 1994, p. 12; Myerscough, 1994).

The gradual expansion of recognition for the importance of culture and the arts as important elements of the entire European project was finally regularised in the Maastricht Treaty on European Union in 1992. Prior to this Treaty the involvement of European institutions in these policy areas was limited by the fact that the underlying legal role of these bodies did not explicitly include intervention in culture and the arts except through such generalised statements as those contained in the Stuttgart Declaration or through the effects of European legislation designed for other purposes, such as the development of free trade in all goods and the free movement of all citizens between member-states.

In effect the Maastricht Treaty contained two elements of direct concern for the arts and culture, the amendment of Article

92 of the Treaty of Rome, and the introduction of (the new) Article 128. The former allowed nation-states to financially support cultural and heritage measures – so long as they did not operate contrary to competition rules. Direct subsidies to the arts and culture that were tied up with issues of nationality (for example, only being available to individuals who were nationals of the state concerned) were, and are, against European principles of free competition by effectively prohibiting citizens of other member-states from benefiting from them. The amendment to Article 92 would allow direct subsidies that *do* discriminate amongst European citizens (on the grounds of residence or language or 'quality', for example: see Fisher, 1993, pp. 23–4), thus escaping from intervention under the auspices of EU law and allowing national interests not only to survive but also to be actively supported by individual states.

The introduction of Article 128, however, had a greater significance for European-level involvement with culture and the arts by allowing for EU direct intervention into these areas for the first time. The most significant features of the new Article 128 were that 'cultural aspects' were to be taken into account in all of the activities of the EU and that the Council of Ministers must act unanimously when taking action in the cultural sphere.

The importance of these were that, firstly, all aspects of the work of the EU should include a consideration of how culture – and, as part of this, the arts – were affected by the decisions that were to be taken. Instead of policy sectors being considered in isolation from each other, culture was seen as an integrating mechanism to bring together the disparate activities of the EU. Many of the decisions that the EU had made prior to Maastricht had implications for culture and the arts, particularly in the area of state financial support. However, these decisions tended to be generated from Directorate-Generals (DGs), the bureaucratic departments of the Commission (Nugent, 1999, pp. 110–12) that were not directly concerned with these issues. This had meant that there had been no central coordination of the work of the EU as it affected culture (Fisher, 1993, p. 25) nor, indeed, had there been the perception of a need for such coordination and cooperation between DGs for this purpose until this time.

An implication arising from making 'culture' a central consideration in the activities of the EU was that the DG with primary responsibility for culture and the arts (DGX: Audiovisual, Information, Communication and Culture) should have its status within the Commission enhanced. Prior to Maastricht DGX was limited in scope with a budget of only 212.3 million ECU for cultural and artistic affairs, of which 200 million went on the MEDIA programme to assist the film and television industries (Forrest, 1994, p. 12). Within DGX the two sections that oversaw the cultural budget (*Action-Culturelle* and *Politique et Production Audiovisuel*) were constrained by the lack of real legislative muscle to support their activities. Article 128 should have changed the significance attached to these sections although there is little evidence that such has actually been the case as yet.

In this respect the second key element of Article 128 assumes importance. While the EU can now undertake action in the fields of culture and the arts the requirement for unanimity within the Council of Ministers is likely to prove a major limiting factor. While much of the work of the EU is undertaken through forms of Qualified Majority Voting and Co-Decision procedures involving Parliamentary support, if not positive approval, culture remains outside these forms of agreement. A consequence of requiring unanimity in decision-making is that there will be severe difficulties in obtaining it. The member-states of the EU have very different patterns of involvement in the arts and culture, with different histories and traditions of state involvement in this sphere. Overcoming these differences, except in the blandest sense, is likely to remain a major stumbling-block to the development of a European consensus on what could, and should, be done both with and for culture and the arts.

The acceptance of the principle of subsidiarity – that decisions should be made at the national, regional or local level, rather than the European, wherever possible – feeds into this difficulty, particularly given the difficulties that there are in defining what a 'European culture' actually is, except in such generalised terms as to be almost pointless in policy terms. Without such a rallying point of agreement it is likely that national, regional and local cultural and artistic variations will continue to dominate the agenda.

The impact of the EU in terms of the arts has been, and is

likely to remain, marginal. The slow accretion of responsibilities in cultural matters that has taken place since the early 1970s has been largely a process of *ad hocery* rather than a conscious choice of, and implementation of, clear policy preferences. The inclusion of Article 128 in the Maastricht Treaty provides little in the way of policy specifics and makes it difficult for the development of such detailed proposals at the European level as long as unanimity remains the basis for decision.

While the possibility of creating an acceptable EU cultural or arts policy that applies to and in all member-states is unlikely to develop, the reasons for the continuation of distinctly low-key approaches to culture and the arts at the European level are indicative of a problem that the arts in Britain are only too aware of, and that is the lack of political clout that the arts have when compared with other policy areas. In the case of Europe this should not be too surprising as the entire European project is predicated on other concerns, particularly the economic and, increasingly, the political. When compared with such major issues affecting the life of EU citizens the arts inevitably take a back seat.

The 'low' politics (Bulpitt, 1983) that are symbolised by the arts make it difficult to establish an independent sphere of activity that has sufficient priority attached to it by central political actors to make it a central focus of concern. In the case of Britain this has led to the development of oligarchic power structures and the search for policy 'relevance' for the arts by attaching them to other policy areas that are seen to be of greater political significance than the arts themselves (as with the use of the arts in local economic development strategies). At the EU level something similar would seem to be developing. The dominant oligarchies are to be found in national governments, defending their 'patch' by appeals to subsidiarity and the national (and regional and local) peculiarities of their arts provision, while the focus on policies that are seen to be of greater importance for the aims of the EU (such as the single currency) leaves the arts in a policy *cul de sac*, with the only escape being through association with these central concerns rather than by being treated as a key policy sector with its own objectives that are seen to be as important, or more important, than those of other policy sectors.

At this level it would appear that the arts, and cultural policy in general, are being dealt with across the EU by national governments in a roughly similar fashion, with these governments defending their own policy commitments and approaches against the potential inroads that the EU could conceivably make through the application of Article 128. How far this will continue will largely depend upon the internal politics of EU institutions. If the European Parliament – and the Committee of the Regions – continue to press for an autonomous policy-making role independently of the Commission and the Council of Ministers then this position may change in time; and if the arts and culture become politically 'hot' the same change may occur. Until such time, however, the general European level is likely to be of little significance for national arts policies in any of the member-states, including Britain.

The arts in Europe

The historical development of arts politics and policies in mainland Europe has tended to follow a very different path from that in Britain or, indeed, the rest of the anglophonic world. A commitment to using art and culture as expressions of national pride, symbols of national prestige and importance, and as bearers of claims to a civilised status have been present throughout Europe for centuries, developing patterns of state action that are much more accepted, and acceptable, than they have been in Britain.

An expectation that the state could, and should, use its position within society to support, encourage and display examples of artistic merit for both artistic and political purposes is not seen as exceptional in most of mainland Europe. The British reticence to become involved in the arts at all until the post-1945 period (see Chapter 2), and even then in a 'hands-off', 'arm's-length' fashion, is in marked distinction to how the arts have been managed and organised elsewhere in Europe. The extent to which the British experience of dealing with the arts, and the changing nature of this involvement, has parallels in the rest of Europe has important implications for the arts in general, as well as for the commodification thesis that has been proposed. An examination of developments in the management of the arts across

Europe is therefore important for identifying comparative similarities and differences in the political treatment of this policy area. For the purposes of this comparison the major areas of change identified by the commodification thesis will form the starting-point.

In this respect the amount of organisational change that has taken place over the past 20 years is relatively limited, and where it has occurred has largely been as a consequence of other factors than those derived from the needs of the arts themselves. This is particularly marked in the cases, for example, of Belgium and Spain where the introduction of new organisational structures with a responsibility for the arts arose from the internal political demands of regions within these countries for a greater say in their internal governance. The establishment of distinct cultural Ministries in Belgium for the Flemish- and French-speaking communities was a direct consequence of the internal 'politics of accommodation' (Lijphart, 1975) of a linguistically divided society (Fitzmaurice, 1996, chs 4–5). In Spain the development of a form of autonomous regionalism was a result of the development of democratic practices that emphasised pluralism and regional difference in distinction to the centralism of the Francoist era (Heywood, 1995, ch. 7; Graham and Labanyi, 1995, ch. 19).

The importance of overarching political structures for the structure and content of arts-providing and supporting organisations can also be discerned in post-unification Germany where the old East German, centrally dominated structures were replaced by a replica of the West German federal structure, with prime responsibility for the arts being given to the regional Lander governments. The political impetus for change in this case was not driven by the needs of the arts (although it could be argued that they benefited from the decentralisation of power and authority that were involved), but by the larger issues concerned with integrating societies that had been developing along divergent lines since the post-Second World War division of Germany (Carr and Paul, 1995; Rose and Page, 1996).

In all of these cases – Belgium, Spain and Germany – ideological change had a major impact on how the management of the arts by the state was organised. The political beliefs that underlay the processes of change were the key factor driving

organisational change. The parallel with Britain during the post-1979 period is obvious in this respect, where new ideas and commitments generated a process of change that has yet to be completed. However, ideological change does not simply operate at the level of the 'big' ideas about how society should be organised: it also operates at the level of the beliefs that are incorporated within the system about how organisations should be managed, and what their policy objectives and aims should be.

The linking together of arts and economics, either through using the arts as a tool for the attainment of economic objectives, or through insisting upon a more economically orientated approach to the delivery of arts policies, has not been simply a British phenomenon (see Chapters 5–7 above). Similar pressures have been present elsewhere in Europe as well: in France, for example, managerial changes associated with the catch-phrase 'economics and culture: a common struggle' (Dressayre and Garbownik, 1995, p. 187) have been imposed on arts organisations. These changes are not simply managerial ones designed to improve the performance, efficiency and effectiveness of arts organisations, but have been underwritten by the ideological premise that the modernisation of the provision of the arts depends upon an awareness and acceptance of the benefits of the market-place as an allocator of resources. The mixed results of this process in France were to see a process of depoliticisation taking place in the arts and cultural policy (Looseley, 1995, p. 239), and an increasing process of professional and interest group involvement that limited the power of the state to act autonomously in this field (Eling, 1999, pp. 187–90), leading to a continued politicisation of the arts in France but under a different guise.

Of more obvious relevance to the increasing emphasis being placed upon economic considerations in the making of arts and cultural policies in Europe has been the experience of regional and local governments. The extent to which the arts have increasingly been used as handmaidens to economic development, particularly in urban areas, has become evident in recent years across Europe (see, for example, Bianchini and Parkinson, 1993), and even where other considerations have been given priority the economic impulse has still been a key feature allowing such

development to be undertaken in the first place (Landry and Bianchini, 1995; Johansson, 1996, p. 329).

Alongside this economic turn there has also been a further element of organisational change taking place, with mixed results, in Europe; a trend towards some form of decentralisation of cultural and artistic management and policy-making. While this has been by no means a one-way process – the general centralisation of national responsibility and authority in Britain being a counter-example – or an unambiguous process – in France it could be argued that the central state has simply deconcentrated rather than decentralised its power and authority in this policy sector (Mangset, 1995, p. 71) – it has generally been occurring. For purposes of economic development this change of focus serves to provide the possibility of promoting local solutions that can take diverse forms in response to the particular problems and opportunities that are present in any given locality. (See Landry and Bianchini, 1995, for a discussion of the range of approaches that have been adopted by a host of cities around the world).

The changes that have been taking place in managerial, organisational and ideological terms in the arts are, in general, partial responses to the broader waves of reform that governments have been introducing into their general organisation and managerial practices. Financial change has also been introduced into many countries but, as usual, not in terms of the requirements of the arts themselves, but as a consequence of larger scale shifts of opinion and belief concerning the most appropriate fashion in which to undertake the functions and responsibilities of the state.

Some of these changes are concerned with the amount of money that is directed to the arts by governments, with the French Government's massive new expenditure (effectively doubling the budget of the Ministry of Culture) during the 1980s being a prime example (Looseley, 1995, p. 80). In other cases the decentralising initiatives of the past 20 years have seen a reallocation of funding from national to regional and local sources. The case of the old East Germany is an example, where the main sources of finance switched from the centre to a combination of the new regional Lander and local authorities that were created or re-created after the reunification of Germany (Wolf-Csanady, 1999).

The development of completely new sources of funding for the arts has not developed strongly in Europe: although attempts to raise finance from private sources has been increasingly attempted this is still running at relatively low levels, both relative to public expenditure as a whole and in absolute terms (Fisher, 1990, provides some evidence for this development in the 1980s). The institution of other new sources, parallel to the development of lottery funding in Britain, has not taken place except in Eire (O'Hagan, 1998, p. 152) largely because such sources of funding were already in place in many countries, such as the Finnish lottery dating back to 1926 which has been used as a major funding source for Finnish arts policy ever since that date (Schuster, 1994a, pp. 25–6).

Probably the most significant changes in financial terms have taken place as a consequence of the pressures on expenditure arising from attempts to resolve broader economic and political problems within states. The reform of regional and local governments have had an impact on the arts through the financial changes that have been associated with these reorganisations and reallocations of functions: Italy, Spain, Belgium and France have all seen new regional structures being introduced that have had some policy stake in the arts, for example. Elsewhere the reform of local government, and its associated financial systems, have led to significant effects on the funding of the arts, especially in Scandinavia, with the 'free commune' experiments of the 1980s and 1990s (on these see Batley and Stoker, 1991, chs. 12–14).

The result of the changes identified above has been to establish a process of both continuity and change at the same time. The commitment towards supporting the arts in mainland Europe has remained fairly consistent, but the mechanisms that have been utilised to undertake this task have been subject to amendments that have been driven by other concerns than those of the arts themselves. The major feature of much of the European experience has been towards an increased role for more localised forms of financing and control of the arts, something that could arguably be seen in Britain as well with the new statutory powers that local authorities in Scotland have recently been granted and the creation of the new Scottish Assembly with its responsibilities for the Scottish Office and, through these, for the ACS.

Apart from this decentralising trend, which has taken place in some countries more than in others (for example, in France and Spain, as compared with the Netherlands and Portugal), the general picture appears to be one where elements of the changes that have taken place in Britain have been adopted (or not) in the particular circumstances of each individual country. Certainly there is no general pattern of consistent learning between the countries of Europe in terms of the arts – how they are organised, funded and managed – even if there are elements of commonality in terms of some of the arguments and ideological structures that have underlain change.

Once again, this illustrates the political weakness of the arts policy sector insofar as the changes that have been introduced have tended to be reactive to other concerns. Political choice is an important element of this generalisation, and emphasises the crucial role of political actors in making decisions, whether about the arts themselves or not. As the arts are a relatively small policy concern of all European governments the lack of centrality of the arts to processes of political choice should be no real surprise. To this extent, at least, the arts in Britain are no different from their continental counterparts.

Where Britain does tend to be different is in the general lack of commitment on the behalf of national governments to state intervention in the arts policy sector. Funding for the arts in Britain, in relative terms, has been consistently low in European terms for many years (see Ca'Zorzi, 1989; Gray, 1992), while until the recent developments following the establishment of the DNH in 1992 central government consistently pursued a 'hand's-off' approach to the arts (see Chapter 5). While this position may be slowly changing in the development of a more policy intrusive central government position, the idea that the arts can be used in a positive fashion by national governments has still to reach the levels that are to be found, for example, in France (Collard, 1998).

To a large extent this is a reflection of the ideological acceptance of a role for the state in the provision of and support for the arts, and, in this case, this can be largely explained by the historical development of state intervention in different countries. The starting-point for recent changes has differed in each

country and this helps to account for the patterns of change that have been generated in each case. In this respect the lack of policy learning between the states of Europe – where new ideas and policies in one state are translated into the particular circumstances of other states – is perhaps to be expected. The lack of a commonly accepted basis for the treatment of the arts across the states of Europe makes the international development of core programmes and policies problematic, at the very least – as the case of the EU makes clear.

The patterns of change that have been taking place within European polities in terms of their organisation and management of the arts reinforces the image arising from a consideration of the EU and the arts. In both cases the sheer variability of approach between states militates against the development of a common strategy for the policy area. While the states concerned have attached a low political weighting to the arts as compared with other policy areas this should not be taken to mean that the arts in European politics are unimportant, or are of little political significance. Apart from the uses that the arts have been put to in displaying the civilised nature of different societies, they can also be used to embody notions of national identity and as a line of defence against 'alien' ideas and forces – as, for example, the French efforts to exclude the film industry from the last round of GATT negotiations, or their attempt to promote the French recorded music industry by legislating for how much music from other countries could be broadcast on French radio stations.

While the French case is unusual in terms of the lengths that have been gone to in actively defending their indigenous forms of cultural and artistic production the fact that these areas can generate major political dramas is not unusual. When the arts are seen as contributing to some sense of nationhood, or as providing a patrimony for future generations to appreciate and enjoy, then the arts must have a political dimension to them, over and above any direct political content or resonance that they may contain (or, indeed, *must* contain). The distinctive traits of national sympathy and expression that are contained within nation-states reinforces the problems for cross-national policy-making and policy learning that have already been identified.

These problems are themselves only symptomatic of the broader issue of the political status that the arts have within individual states. The fact that the arts are of relatively little political significance makes them a secondary policy area. The developments that have been taking place within European states in terms of the arts illustrates this as policy, management, organisational and financial change have been responses to other issues, rather than being internally driven by the requirements of the arts themselves. The underlying factors behind most of the changes that have taken place have tended to be primarily political, although financial factors have played a role as well. In this respect the arts have been manipulated to fit in with changing political and ideological preoccupations, which in turn have generated the search for new approaches to the management of state business.

Conclusions

Clearly the arts in individual countries are not similar, either as art or as a political issue. What is evident from the brief examination of European developments in the field of the arts is that change in this policy area cannot really be explained without taking into account the broader political, social and economic frameworks within which it is located. The manner in which the state organises itself to support the arts feeds off the pressures that the state is confronting at any given time, regardless of the specific requirements that the arts themselves may have.

The essentially reactive nature of the arts as a policy area means that broader processes of change within society must be considered if the specific changes that are taking place within the arts are to be understood. To this extent at least the commodification thesis clearly has relevance. By arguing that change does not occur *ab initio* but is, instead, the consequence of broader processes of social, economic and political change, the thesis supports this finding.

At a further level the thesis also expects to see differential patterns of policy change occurring as a consequence of the already different patterns of activity in which states are involved. This also receives support from the examination of European developments where there are few direct parallels elsewhere for what is occurring in any given state. While some areas of change – particularly the organisational and ideological – are common across a number of states the precise form that these have taken varies as a consequence of endogenous factors in the main. Exogenous factors, however, cannot be ignored as these serve to set the parameters within which potential changes will be assessed, and also serve to provide a basis for the creation of internal pressures themselves. The consequence of this is that while European examples can inform the understanding of how and why change occurs within the arts policy area it is difficult to see the changes that have occurred as being a common phenomenon across states. Thus, while some similarities between what has been occurring in Britain and elsewhere in Europe can be drawn there is no guarantee that the underlying forces driving the processes of change are themselves similar.

This does have implications for the manner in which the arts are to be developed at the European level, where the current impasse at the level of the EU in terms of the creation of a common approach to the arts clearly limits future activity. Without an agreed framework for the arts the dominance of national considerations is likely to remain the key feature of this area, regardless of the new competencies for culture and the arts that Article 128 of the Maastricht Treaty may have given to the EU. Creating such a common framework is unlikely to be feasible amongst the current membership of the EU; future possible expansions of the Union to include other states are likely to make it even more difficult given the distinctly different approach to the arts and culture that had been in force in the potential new member-states of Eastern Europe, for example, for many years.

Similar difficulties can be found in the transfer of policies concerning the arts and their uses between states. The limited learning that appears to have taken place in this context is a direct consequence of the twin facts that the use of the arts as a tool for cultural planning has been largely confined to the level of local government, and that the variation between these at an international level is even greater than is to be found within the context of a single country. The emphasis on the variation between local authorities in Britain (see Chapter 7) needs to be multiplied in the case of local political, social and economic differences

that exist elsewhere in Europe, particularly as these operate within differing organisational and ideological settings in different countries.

The importance of national and local differences can be emphasised by the approaches that have been adopted by the designated European 'City of Culture' programme supported by the EU DGX. Myerscough (1994, pp. 9–12) differentiates between the objectives that have underlain this programme in different cities, distinguishing between infrastructural, festival and artistic approaches to the given designation. The choice between these was determined by the political and economic calculations that were seen to be relevant to the needs of the individual cities and nation-states involved. The result of this was that of the first ten designated cities only three (Amsterdam, Berlin and Antwerp) were driven directly by artistic criteria, while a further four (Glasgow, Athens, Dublin and Lisbon) were closely linked with economic objectives instead.

In terms of the commodification argument this split might be taken to imply that, in certain cases at least, the transformation of the arts from an aesthetic basis to one that is closely linked in with economic concerns is not simply limited to Britain but has a wider relevance. When added to the support for the commodification case that can be found in the general points about the location of change within broader considerations of economics and politics some support for the thesis is clearly present. This support is, at this level, only indicative of a generalised process taking place, rather than being conclusive proof and, as such, needs to be treated cautiously. The final estimation of the effectiveness of the thesis considers this point in the light of the general argument that has been put forward and forms the basis of Chapter 9.

9
Explaining the Politics of the Arts

Introduction

The analysis of the politics of the arts in Britain that has been undertaken in this book is predicated on the assumption that there is more to the subject than a simple repetition of the latest newsworthy stories that continually appear in the media. While such stories – from the fiasco surrounding the London orchestras to the saga of opera houses in London and Wales, for example – may provide useful case-study material (and a great deal of hilarity for bystanders), they say little about the underlying patterns of change and development that have been taking place in the arts policy sector for many years. To make sense of these patterns it is necessary to go beyond what is essentially the higher journalism of reporting who did what to whom, and with what consequences, and to attempt an explanation of why events have turned out as they have.

Such explanations involve, either implicitly or explicitly, the utilisation of theories and theoretically derived frameworks for analysis that can serve to focus attention on the key variables and central questions that are associated with the subject-matter that is under investigation. This theoretically informed but still largely positivist view may have potential problems associated with it, as any text that deals with methodological questions should make clear, but remains an important weapon in the armoury of academic analysis.

The extent to which the framework that has underlain the discussion of the arts in Britain, the commodification thesis, is

capable of providing a valid explanation for the shifts that have affected the organisation, financing and management of the arts is therefore necessary; not only to assess its own utility as a tool of analysis, but also to clarify the extent to which the arts policy sector can be understood as a political phenomenon. For this reason this final chapter assesses the utility of the commodification thesis for understanding the development of the arts policy sector in Britain.

During the course of this book a number of questions have been raised that can be used to assess the extent to which British arts policy can be seen to have undergone a process of commodification – the replacement of use-value by exchange-value – and the consequences of such a movement if it has occurred. The validity of the commodification thesis can be assessed by reference to these questions and the extent to which they have been supported by the evidence that has been presented. This assessment thus forms the major focus for this chapter.

The arts in Britain as a policy sector

The arts policy sector in Britain has undergone major change over the postwar period, and the arts themselves have moved from a position of benign neglect on the part of governments to one where they are increasingly being seen, and utilised, as major components in the activities of governmental and quasi-governmental agencies at all levels within the political system, from national to regional to local. There have also been major changes taking place in the organisational universe that is concerned with the provision and support of the arts, as well as changes in the financing and management of these organisations.

The formulation and reformulation of governmental policy towards the arts, and towards how they should be organised, managed and financed in governmental terms, have certain features in common. Principally, the arts have always had a low level of political salience within the British political system, and they have been seen as being essentially peripheral to the concerns of governmental organisations at both the national and local level, leading to the development of a reactive policy style within the sector.

In this respect there is an essential duality to the politics of the arts in Britain: firstly, there are the range of external influences that set the parameters to the sector, and which have the greatest effect in generating systemic changes, and, secondly, there are the internal factors that determine the precise direction and content to practical concerns associated with the management, support and provision of the arts on a day-to-day basis. In some respects this is no different from any other policy sector as no area of governmental activity is entirely divorced from the effects of both endogenous and exogenous variables. Where the arts *do* appear to differ, however, is that the internal components of the system have a much lesser impact in determining the overall structure of the sector in the first place.

The major role that external influences have on the arts policy sector can be seen in the many cases where development and change within it are the direct consequence of the imposition of political choices and preferences that have little, if anything, to do with the specific requirements of the arts themselves. The lack of real political significance that is attached to the arts in Britain in comparison with other policy sectors makes them an arena of policy activity that is essentially reactive, being unable to stake an autonomous field of political choice and action for itself in terms of the organisation and management of the sector. This leaves the arts in the position where external forces have a far greater significance for internal arrangements and activities than is, perhaps, the case in other policy sectors.

While exogenous factors have a major influence on the overall shape of the arts policy sector, endogenous factors cannot be excluded altogether as a source of change within it. The fact that central government has adopted an 'arm's-length' relationship with the internal allocation of funds and the determination of policy choices by the major actors within the sector (primarily the ACs, RABs and local authorities) has allowed for the development of strongly entrenched values (see Chapter 4) in the core of the sector that have proved difficult to shift. These values have served as a mechanism for the interpretation and filtering of exogenous pressures to align them with dominant ideas about what the arts policy sector exists for, and how it should operate. As central government itself has not attempted to confront these

values head on they have developed into a powerful motor of political preference within the sector. These values, however, have had only a partial effect insofar as their reach has not extended throughout the sector, with local government remaining largely outside their ambit.

The organisational fragmentation of the sector has contributed to this process by creating an institutional differentiation that has led to the development of distinct spheres of influence within it. The 'arm's-length' distinction between central government and other national organisations, in particular the ACs and the BFI, has distinguished between key central organisations. At the regional level the changes that followed the replacement of the RAAs with the RABs have seen the enhancement of the central core that is represented by the ACE, while the local level, represented by local government, has developed into a separate arena that is largely independent of other arts sector influences. Indeed, while central government has extended its influence in the arts policy sector through a more intrusive policy orientation local government has still managed to retain some freedom and room for manoeuvre.

This separation of the arts in local government from what has been occurring through the gradual centralisation of power and authority elsewhere within the sector has been assisted by the multi-functional nature of the local government system. This has meant that the arts in local government have been associated with a range of other policy sectors that are the responsibility of local authorities in a fashion that has not been present elsewhere in the arts. The relative policy isolation of the arts at the national and regional levels where they are concentrated in single-function organisational complexes has allowed for the development of an essentially inward-looking policy sector at these levels. The linkages that exist in local government, however, between the arts and the range of other functions for which local authorities have responsibility has served to generate alternative policy pressures to those that are to be found elsewhere.

In effect the arts policy sector is divided into separate component parts allowing for institutional and operational diversity within it. The organisational pluralism that is a part of this separation develops a range of possibilities for the utilisation of the arts as a policy tool by governmental actors, allowing for the pursuit of alternative, and sometimes conflicting, ends through different organisational complexes. This establishes a position where the arts are confronted by different sets of exogenous pressures depending upon their organisational location, creating an overall policy environment that is marked by differentiation rather than homogeneity regardless of the intentions of dominant actors within the system.

While central actors continue to act in their own areas of authority and responsibility along relatively oligopolistic lines determined by the value consensus that they have imposed upon the system, local actors are capable of pursuing alternative directions within their own spheres of competence that must take account of extra factors that are not present within the relatively enclosed world that central actors inhabit. The consequence of this is that the arts at a local level must be considered to be more easily manipulable to take account of exogenous factors than are the arts at the central and regional levels – these levels being relatively freer to operate along the lines that are determined by their own predilections than is the local government level as they are less constrained by the pressures that are generated by external forces.

This does not, however, mean that central and regional actors are immune to external pressures. The gradual centralisation of power and authority within the world of the arts, particularly following the creation of the DNH in 1992, is an indication of how the policy sector can be affected by the choices and decisions that central political actors have made. The reluctance of central governmental actors to become involved in the arts, however, has meant that such external pressures that are of direct concern to the sector have been relatively limited in both scope and effect. More important for the arts have been the pressures that have been placed upon them as a result of alternative concerns from other sectors.

The desire of central governmental actors to build a public sector that is modelled along the lines of their own preferences has meant that the arts have had to adapt to changing ideas of government that have been adopted at the central level. The

relatively weak political position of the arts has contributed to this by making it difficult for the sector to resist such pressures for change as it has little in the way of resources or policy centrality that would permit it to mount an effective resistance. This has made it quite easy for central governmental actors to impose forms of change on the arts policy sector that are designed for other purposes than those that are central to the arts themselves.

In general, then, the arts policy sector is marked not only by organisational fragmentation and differentiation but also by inherent weaknesses as a political entity. The lack of a policy core of values and accepted ideologies within the sector make it difficult to develop a single approach to the arts that can operate across the spectrum of organisations that have a stake in this area. This opens the sector up to a range of potential influences that can override the key interests that are contained within the sector itself and this contributes to the essentially reactive nature of policy that is such a key feature of the arts in Britain.

In this respect the fact that there is little in the way of coherent and coordinated policy responses across the different levels of the system – national, regional and local – is an inevitable consequence of the organisational pluralism that exists within the system. Even where there is a form of value consensus, as evidenced by the basically oligarchic nature of the ACs, this cannot be simply imposed upon the system as a whole. Instead, some form of negotiated settlement is necessary to ensure that these values permeate all organisations with a role to play in the provision and support of the arts. Such negotiation, however, is marked more by its absence than its presence, particularly as a consequence of the independence of local authorities from direct policy control by the ACs, making it difficult for the imposition of the wishes of the latter on the former.

In effect there is a policy segmentation within the arts in Britain, with central and regional actors pursuing their own lines of development in relative isolation from what is occurring at the local level. Indeed, there is also a form of segmentation at the national level as well, where central government acts in a different fashion, and for very different reasons, in terms of the arts as compared with how the ACs operate. The pivotal role of the ACs at the heart of the arts policy sector – both in terms of

their financial muscle and their policy role – depends upon the ability of the ACs themselves to maintain a separation from central government actors. Without the security of the fig-leaf of the 'arm's-length' principle the role of the ACs must be cast into doubt, and the steady erosion of this principle (see the argument in Quinn, 1997; 1998, for example) is likely to erode the centrality that the ACs actually have in the future.

The commodification of the arts?

The clarification of the nature of the network for the arts in Britain given above implies that changes within this policy sector have been driven by other concerns than those of the arts themselves. The sheer quantity of change that the arts have seen over recent years raises the question of how this change is to be understood. The commodification thesis posits an argument that change is the result of the search for a new settlement for policy sectors that arises from social, economic and political changes within society that cast doubt upon the efficacy of existing solutions to problems in the management of the political economy of states. The extent to which recent developments in the field of the arts can be represented as contributing to a process of commodification therefore requires consideration as to the extent to which it is a useful depiction of what is occurring.

The adequacy of the commodification thesis as an explanatory framework for the analysis of change within the arts policy sector can be assessed, in the first place by reference to the specific predictions and arguments that were developed in Chapter 1. These argued that some quite specific changes to the organisation and operation of the arts policy sector could be expected, and the extent to which these have actually been fulfilled can serve as a guide to the adequacy of the commodification approach.

Firstly, it was argued that there should be a continuous process of organisational change taking place in the arts to fit the major institutions with responsibility in this area for the changing circumstances that governments have found themselves in. These processes of change would affect both the basic organisational universe itself and the operational practices that are utilised within them.

Clearly this receives support from across the organisational universe of the arts. Major reforms have taken place at both the national and regional levels, with the establishment of the new ACE, ACS and ACW to replace the ACGB, and the transformation of the locally dominated RAAs into the centrally dominated RABs. The responsibility for these changes did not rest with the arts organisations themselves for purposes specifically related to arts policy, but were imposed by political actors within central government to embody their own preferences. Operational practice was also changed, for many of the same reasons, across the board, incorporating local government as well as the ACs and RAAs/RABs.

The clear intention of these operational reforms was to make the arts sector more financially aware, even if they have not led to a full-blown replacement of use-value by exchange-value. Indications that such was the underlying purpose of these reforms can, however, be taken to exist through the imposition of quite explicit market-derived initiatives that were intended to make public-sector organisations resemble private-sector ones. This was quite marked in the debates over the establishment of the RABs (see Beck, 1995) and in the report on management in the ACGB (Price Waterhouse, 1993; Taylor, 1995), where the emphasis on managerial notions of administrative efficiency and effectiveness, rather than on political or social conceptions of these, was marked. Local government, as a whole, was also affected by such ideas as part of the wave of reforms that took place within it during the 1980s and 1990s (see Wilson and Game, 1994; 1998).

In practice, these reforms were not directly aimed at arts organisations alone; instead they were a part of the overall reorganisation of management within the public sector that was occurring at this time (see Clarke and Newman, 1997). This implies that the searching for new forms of organisation and management within the public sector as a whole was part of a conscious strategy on the part of central governments to enable the introduction of new approaches to resolve either continuing or new administrative problems.

The source of the perception of these problems in changing ideological beliefs did not provide a standard form of response from central government. Instead there was a process of continual

change and reformulation of ideas and policies that were applied differentially across the public sector. As an indication that overall change is made up of a process of trial and error by governments, which the commodification thesis implies will be the case, the differences between parts of the arts policy sector, and between this sector and others, in how operational reform was mounted again implies support for the argument that has been proposed.

The second area to consider is that of financial change. While there have been considerable changes in this area of activity – particularly through the introduction of lottery money, the gradual devolution within England from the national to the regional level for funding decisions, and the move to make support for the arts a statutory duty for local authorities in Scotland, implying a greater level of expenditure at this level – a move towards a full-blown market-based economy for the arts has not yet taken place.

While attempts to increase the amount of funds made available for the arts from private sources have taken place the balance between private and public sources has only been affected at the margins. The slowing down of state support for the arts, as evidenced by the slowing down of rates of growth, and, in some years, reductions in state subsidy, could be seen as part of an attempt to make the arts more conscious of the need to develop alternative funding sources. If the existing clientele that receives state support is faced by the prospect of reduction in art then pressures are generated to move towards other means of financing their provision of art. However, even where private funding has been increased it has been so on the basis of public subsidy in the first place, particularly in the case of BSIS and its successor, the National Heritage Arts Sponsorship Scheme where their administrative costs are entirely underwritten by the state.

To this extent the commodification thesis has proved less successful: the changes that have taken place in the financial environment within which the arts operate have not seen an increasing reliance on the private sector. Instead, there has been a refashioning of the support that the public sector provides, introducing new sources of financing and reallocating existing arrangements. To some extent these can be seen as a continuation of the changes that have been made in the operational and

managerial practices of the sector, rather than being financial changes *per se*. While the changes that have taken place have important implications for the financial support that the arts receive in Britain, particularly following the creation of the National Endowment for Science, Technology and the Arts (NESTA) by the Labour government, they would appear to be driven by managerial decisions rather than by financial concerns to make the arts more market-orientated.

This can be interpreted as demonstrating that the processes of commodification are not constructed from a simple plugging in of clear-cut solutions to entrenched problems but are, instead, part of a complex web of interacting factors that need to be considered as a totality rather than as specific instances. The interaction of financial and managerial changes in the arts demonstrates this, as both need to be changed to allow for systemic change to take place. Thus, while the lack of clear movement towards a market-based economy for the arts is evident this should not be taken to mean that moves towards a commodification of the policy sector are not occurring, only that other changes need to take place before such a development can occur.

The third area of change, the ideological, has seen developments in recent years that have aimed at shifting the grounds upon which the arts are supported and arts organisations operate. At the very least the arts have moved from being an issue that was, in many senses, seen as being essentially apolitical to a position where the political dimension of arts policies and decisions has become firmly entrenched. It was expected that there would be a movement towards a position where state support of the arts would become less acceptable to central political actors, the market would become the decisive factor in making choices in the arts, and that there would be shifts in view of the arts as a collective good.

Certainly the basis upon which decisions about support for the arts are made has been changing. Not only have the core actors, particularly the ACs, emphasised the economic significance of the arts for the British economy, but also, at a local level, the arts have become increasingly attached to other policy areas for their justification. The switch from viewing state financial backing for the arts as a necessary requirement to ensure the

provision of desired goods and services, predicated on the assumption that the market cannot and will not do this, to a position where state support is justified in terms of economic investment has therefore been an important component of developments in the arts.

By changing the basic principles upon which support for the arts is justified, new opportunities are generated for the pursuit of alternative approaches to the provision of arts goods and services. By emphasising the role of the arts as generators of economic advantage to local, regional and national economies it is apparent that there has been a significant sea-change in recent years in the underlying ideology that forms the basis for support of the arts in Britain.

This change does support the argument that the market has become a more significant factor in the making of decisions about support for the arts, even if this argument has clear dangers for the arts themselves (see Bennett, 1995, pp. 213–14). It cannot be doubted, however, that this change has arisen as a consequence of larger forces of ideological change that have been taking place inside the British polity in recent years. The decline in political acceptability of the postwar social-democratic, welfare-state consensus has had implications for all of the public sector in Britain, generating pressures for change that have been difficult to resist. In this respect the arts in Britain are not a special case but, instead, not only fit into the commodification paradigm but also form a specific example of the consequences for a policy sector of general ideological change.

The final area for consideration is concerned with the policy process as it is undertaken within the arts policy sector. It was argued that the processes of making policy would become more selective and directive, and more information would be provided to justify policy choice; there would be a fragmentation of the policy process with consequent shifts in the distribution of power within the policy sector; economic factors would increasingly be taken into account in the making of decisions; and the relationship of the citizen to the state, in the context of the arts, would be changed.

Arts policy would certainly appear to have become more directed, in terms of the intended impact of such policy choices,

particularly at the local level, where the targeting of the arts as a tool for purposes of economic development has been most evident. The ACs, as well, would appear to be developing along these lines in recent years with the example of the writing-off of orchestra debts in 1999 being a prime example. Instead of a generalised commitment to artistic excellence the ACs seem to be moving towards a more consciously economic rationale for policy choices in this sense, with policy being directed towards quite specific ends. Selective policy would also appear to be developing in the arts with the development of multi-cultural arts policies, for example, becoming evident, not only at the level of local authorities but also through the decisions of the RABs as well.

Whether more information has been utilised or developed as a policy resource is a dabatable area. The launching of the National Strategy for the Arts certainly generated a great deal of discussion within the arts world, even if evidence of this discussion and information forming a part of later decisions by the major organisations that are involved in supporting the arts is limited. While the arts, as a policy sector, has always been good at generating publicity for itself with the clear intention of influencing policy-makers it can often appear to be the case that this publicity is used for purposes of special pleading on the part of individuals and groups and therefore runs the risk of being discounted by the very people that it is meant to affect.

The types of information that have become increasingly evident in the arts have been economic ones, with these forming an important new weapon for arts policy-makers in justifying the decisions that they make. While economic arguments are something of a double-edged weapon for the arts, insofar as while they can be used to justify increased economic support for the arts from the state while at the same time undermining the argument for state subsidy in the first place, they have developed in the consistency with which they are used.

This has been evident in the case of whether the policy process for the arts has become more fragmented over recent years. The adoption of an economic justification for financial support for the arts in local government has developed particularly strongly, and is more consciously used at this level than it is at the regional and national levels. This has led to an effective bifurcation

of the policy process in the arts sector, with little coordination between the national and local levels being evident, and with a gradual weakening of the regional–local links that were in place under the RAA system, with these being replaced by a much more centralist orientation to the regional level through the RABs.

The increasingly intrusive policy orientation that is evident through the activities of the DCMS can be seen to have reinforced this centralising tendency within the arts policy sector, at least as far as the national and regional levels go. The introduction of a statutory basis to support for the arts in Scottish local government, for example, effectively weakens the ability of central governmental actors (in this case through the Scottish Office rather than the DCMS) to influence the shape of arts policy at this level, even if control of the ACS by the new Scottish Assembly is likely to occur.

The developing importance of the arts as a political tool for a variety of purposes has served to underline this horizontal fragmentation of the arts policy sector, with different sections of the sector using the arts for distinctly different purposes and in distinctly different ways. The results of this policy differentiation for power distribution within the sector have been to see a gradual erosion of the centrality of the AC nexus for overall arts policy. While the control that the central core of the system has over the regional level has increased there have been moves to weaken this core from above, through the developing role of the DCMS (see Taylor, 1997), and from below through the generation of new policy approaches that affect the arts within local government.

The consequences of this increasing fragmentation within the system have been to weaken the position of the ACE, in particular, and to direct attention away from the dominant core of values that the central spine of the system contained. The increasing pressures exerted upon the ACs by central governmental actors to conform to new policy and operational initiatives has directed attention away from the aesthetic and artistic principles that the ACs have operated upon in the past to emphasise instead new concerns that do not have the arts themselves as their prime objective. The new concerns with economic notions of efficiency and effectiveness that underlie the changes in managerial and

operational procedures within the arts are thus a contributory element in the overall remaking of the poiicy process in this sector.

While these developments have clearly had major implications for the arts sector as a location for policy activity, the relationship of the sector to the public as a whole could be argued to be largely unaffected. Moves towards changing the role of the citizen from that of a democratic participant to an economic consumer have been limited in the specific case of the living arts. While museums and art galleries, for example, have moved towards the introduction of such obviously economic factors as admission charges the rest of the world of the arts has seen little direct change of this sort to their previous existence. To some extent this has reinforced the relative isolation of the arts from democratic principles of direct citizen involvement, with responsibility for policy choice continuing to rest with the quasi-professionalised world of the dominant oligopolies that are such a feature of the arts in Britain.

At one level this demonstrates that potential moves towards the commodification of the arts have only been partially successful: the image of policy arising from the market choices of informed and active consumers has not been an evident feature of the changes that have been taking place in the arts in recent years, even if market-based criteria *have* had an effect in many areas of the arts. Until the utilisation of exchange-value as a dominant feature of the arts system becomes entrenched the extent of commodification must be seen to be limited. The nature of this limit, however, is a relative factor. The evident support for the commodification thesis that has been presented demonstrates that it has been, and continues to be, a reality for the arts in Britain.

Conclusion

The multi-causal nature of the commodification process makes it difficult to assess the full extent to which it has been taking place within the arts in Britain over the last 20 years. Clearly there is evidence to support the basic argument that the changes that have been occurring in this policy sector can be understood through the utilisation of the commodification thesis. The argument that this process of remaking policy sectors is a continuing process that involves a constant stream of policy changes, and the continuing introduction of new policy initiatives, *is* given support by the case of the arts.

The extent to which this commodification has been the result of conscious intent on the behalf of governmental actors cannot be answered unambiguously. The multiple dimensions of change that make up this process probably make such intentionality difficult to achieve anyway. The necessity to undertake diverse activities that affect different dimensions of the organisational universe will generate multiple consequences, some intended and others not, that can affect the future choices that governmental actors will make. To see this process as an arrow penetrating the arts policy sector in a clear and unambiguous fashion is infeasible. Instead, a view of it as a continuing process of political choice and implementation that is continually on the verge of escaping from the control of central political actors is more appropriate.

While the commodification process in the arts, as it has taken place to date, is still unfinished business there is little evidence to suggest that it has either stopped or been reversed since the victory of the Labour Party in the 1997 general election. What is a more probable scenario for the future is to expect a continuation of existing trends within the arts, with a gradual reduction of influence for the ACs, and particularly the ACE, a more 'hand's-on' approach from the DCMS and the new Scottish Assembly, and an effective separation of policy approach to the arts between the local and the regional and national levels. This promises to lead to even further interventions in the arts sector from central and local governments and a continuation of, in the words of the pseudo-Chinese curse, the 'interesting times' within which the arts have been operating for all of the postwar period.

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Selling the Arts:
Centre-Periphery Tensions in Commodification Processes

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Introduction

The last 20 years have seen a significant number of changes occurring in the system for managing the involvement of the state in the field of arts policy. The result of these has been to mark an important move towards the commodification of this policy area, even if this process is far from complete (Gray, 2000). The purpose of this paper is to identify the political difficulties that are associated with commodifying tendencies, and the territorial implications that arise from attempts to restructure state interventions within policy areas. To this extent, at least, the focus is on the practical consequences for state actors and organisations as they attempt to come to terms with the new policy environment that is generated as a result of the move towards a more commodified form of policy structure.

Commodification and the Arts

Along with every other part of the public sector in Britain the arts have been greatly affected by the wave of reforms that have been introduced by successive governments since the early 1960s. The change of emphasis since 1979 in the reforming strategies that national Governments have pursued — towards one of attempting to create a more commodified form of public sector — has equally affected the arts, giving rise to large-scale changes in both the structures and processes that are utilised in the support and direct provision of these services. While the full extent to which the arts can be seen to have been effectively commodified in content is open to question, there is little doubt that the basic nature of the management and organisation of this policy area has been amended to display clear indications of commodifying tendencies.

The manner in which these tendencies can be seen to have been implanted within the arts policy sector has varied in terms of which area of organisational life is examined. For practical purposes commodification needs to be implemented across a number of dimensions of both organisational structure and organisational process. If any of these dimensions is not affected then commodification will not prove to be successful, even though if they are all modified there is still no guarantee that the process of change will prove successful anyway (Gray, 2000, ch. 2). The dimensions of change that need to be considered are:

- Organisational change — both in terms of the creation, abolition and reform of discrete organisations, and in terms of the internal structuring of these;
- Financial change — affecting the methods and forms of allocating financial resources to organisations;
- Managerial change — affecting the internal dynamics of organisational activity and relationships with other organisational actors; and,
- Ideological change — instilling new conceptions of the purpose of the organisation concerned and new approaches to its operations in an attempt to remake the cultural setting within which the organisation is operating.

These forms of change are driven by the choices that are made by political actors within the system and essentially take the form of a process of trial and error: reforms are instituted and are then subject to a continuous process of modification and change in an attempt to reach some form of organisational stasis or equilibrium. The precise nature of the changes that are instituted will be primarily driven by the ideological perceptions of political actors as to the nature of the problems that require solution and what forms of solution are appropriate to the task in hand. These perceptions will be influenced by the power and other resources that are available to the actors involved which will influence, in turn, what are seen to be the potential practicalities of change.

To this extent commodification is part of a learning process on the behalf of political actors. While ideological perceptions set the framework within which change is managed the practical consequences of organisational reform — in the form of both intended and unintended consequences, and as a result of the inter-organisational political oppositions that will be created — generate further considerations that require resolution. The result of this is that organisational change is an ongoing process that must be expected to generate new patterns of political activity both within and between sets of organisational actors (Pollitt, 1984, ch. 11; Rhodes, 1997; Stoker, 1999).

In this respect the arts are no different to other policy sectors within British government. The processes of commodification have seen the development of new styles of political activity within this sector that have been intended to create new patterns of service delivery with the overall intention of remaking the nature of arts policy itself. While commodification has not yet advanced to the stage where the arts are completely treated as any other consumer good that is available in the open market,

the clear drive of policy towards this end is well advanced. This process, however, has not been a simple one whereby the wishes of central political actors have been simply imposed on a malleable system. Instead the range of already existing participants have acted as classic intervening variables, serving to modify and adapt central wishes in terms of their own perspectives.

The extent to which actors other than those in the central positions of power and authority within the political system are capable of using their location within policy networks to undertake this manipulative strategy has important implications, not only for the commodification process itself but also for an understanding of the importance of locational factors in influencing the processes of organisational and policy reform. Given that the arts policy sector is geographically divided between multiple actors at the national, regional and local levels of the political system it provides an interesting case study of the mechanisms that are involved in the processes of change that have been applied in the move towards commodified policy systems.

The arts policy sector

The structure of the organisational network for managing state involvement with the arts in Britain is characterised by the seemingly contradictory features of "organisational diversity and value limitation, which lead to an institutional pluralism but a behavioural elitism" (Gray, 1993: pp. 9–10). In brief, the policy sector is characterised by the existence of a multitude of organisational actors providing varied forms of support for the arts but operating within a closely defined set of preferred options for the operation of policy. These ideological values serve to limit the autonomy of organisational actors in important ways when dealing with the arts and culture (see Street, 1997, ch. 5), and allow for the exercise of an effectively oligarchical dominance over the multiple organisations that inhabit the sector.

In addition to this structural dimension must also be added the fact that the 'arts' as a policy issue are of distinctly low political status. The traditional British reluctance to become involved in the provision, maintenance and support of the arts on the behalf of the state — exemplified by Lord Melbourne's comment in 1835, "God help the government who meddles in art" (Minihan, 1977: p. 60) — has led to marked differences between Britain and her Continental neighbours which tend to be much more interventionist in attitude. While the British state has developed a complex network of forms of support for the arts since 1945 this has been in the context of a desire to treat them as a depoliticised arena of activity.

As such it is hardly surprising that the arts in Britain have received little political engagement from core actors in Westminster and Whitehall. Instead there has been a tendency to manage the arts through 'arm's-length' organisational forms in the shape of various quangos (such as the Arts Councils (ACs) and Regional Arts Boards [RABs]), or through local authorities. This choice has the obvious advantage for central

political actors of avoiding accusations of political bias or censorship in the provision of the arts, whilst also ensuring that some form of provision is undertaken. In this respect the arts form a good example of 'low politics': "residual matters" of "embellishment and detail" (Bulpitt, 1983: pp. 3, 29) that can be safely hived-off from detailed central control.

The pattern that this reluctance to become centrally involved in the management and direct provision of the arts has generated contributes to the organisational pluralism that is a central feature of this policy sector by disaggregating policy control to multiple institutional sites. It has also allowed key actors within this fragmented organisational universe the opportunity to impose their own ideologies and values upon the policy sector as a consequence of the establishment of a policy vacuum as far as the centre is concerned. The mutual reinforcement that existed between the structure of the policy sector and (a relative lack of) central state involvement with it allowed for the creation of a stable environment for arts policy until the 1980s. The first steps towards commodification arising at that time, however, served to alter the game that was being played: a more interventionist central state began to change the stability that had been created in the post-war period, leading to a restructuring of the arts network.

The extent to which the centre has been able to impose a new form of policy sector on the arts has not been a tale of simple direction. Instead, there has been a process of effective trial-and-error taking place as the multiple changes that are a necessary part of the commodification process have been worked through. The arts network has itself been a key participant in this process with local, regional and national actors all playing a part in the modification of the sector. The still unfinished business of commodifying the arts sector demonstrates the difficulties that face reforming central governments in changing long-established patterns of inter-relationships between organisational actors that are operating at a remove from the centre. How local and regional actors have affected the direction, speed and scope of commodification needs to be examined to understand what has been taking place in the arts over the last 20 years.

Locality and the commodification of the arts

The fact that the arts policy sector is made up of independent organisational actors, each operating within their own geographically de-limited areas, necessarily implies that there will be an element of autonomy in the choices that will be made by these actors in the pursuit of policy goals, whether their own or those of central government. While some actors, notably the ACs for England, Scotland and Wales, have a greater impact on the operations of the entire sector as a consequence of their greater financial resources and their support for dominant values within the system, other organisational actors cannot be discounted as being significant participants within the arts policy sector (Gray, 2000: ch. 3).

The major reason for this importance for regional and local actors lies in the weaknesses of central control over the policy sector. While the centre has become increasingly intrusive in the entire field of leisure policy since the establishment of the Department for Culture, Media and Sport (DCMS) in 1992 (Taylor, 1997) it has yet to develop a dominant policy role in the arts. The, at least, semi-independence of the key providers of state support for the arts (the ACs, RABs and local authorities) has meant that the centre has had to largely rely on methods of persuasion and encouragement to see the changes that it desires take place. Even when the centre is seemingly in a position to implement its desired options the fact that there already exist operational networks of participants within the sector serves to ensure that the process of change is a contested one, with no guarantee that the centre will get its own way. In the case of the arts this can be illustrated by the machinations surrounding the reform of the regional level of arts support in England following the publication of the Wilding Report (1989).

The establishment of a regional dimension to the arts support system was a direct response to the decision of the AC of Great Britain to close its' own regional offices in the mid-1950s. Arts activists and local authorities began a process of creating their own intermediate organisations, the Regional Arts Associations (RAAs), to fill the void that was created by this decision. The RAAs were dominated by local interests — often working to different criteria to those supported by the AC of Great Britain — with this leading to an increasing number of conflicts between the two sets of organisational actors. These conflicts were intensified under the Conservative Governments after 1979 as the economic concerns of central government permeated the entire public sector.

In effect the conflict between the RAAs and the central actors of the AC of Great Britain and central government itself was based on incompatible sets of arguments held by each of the participants. The RAAs wished to retain their local links and to increase their involvement within the system of arts funding and support; the AC of Great Britain wished to preserve its own centrality within this system and to maintain its own aesthetic and artistic principles as the dominant ones; and central government wished to strengthen economic management and accountability within the arts (Beck, 1995; Gray, 2000: ch. 6). While the final result was to see the replacement of the locally-dominated RAAs with the centrally-dominated Regional Arts Boards (RABs) the final shape of the reform process was not determined by the simple imposition of central wishes.

In part this result was the consequence of matters outside of the intrinsic merits of the respective arguments that the participants were making. The low political salience of the arts as a policy sector meant that the process of reform saw three separate Ministers involved — Richard Luce, David Mellor and Timothy Renton — each of whom took a different view of the form that change should take (implying a lack of a coherent governmental strategy in this area), and each of whom had different levels of support within central government for their activities. Equally, the RAAs had themselves developed an increasingly professionalised and bureaucratised central

forum — the Council of Regional Arts Associations (CoRAA) (Evans and Taylor, 1994) — which served as an effective pressure-group during the reform process, defending the regional perspective against central arguments. These structural factors served to dilute the ability of the centre to simply impose its own will on the arts support system.

While the final result was to see the development of a centralising trend within the arts policy sector it was not as uninhibitingly centralising as it might have been. The local links of the RAAs with local communities and organisations have been weakened, but in return the RABs have been given an increased share of the overall arts budget to manage, rising from 24 per cent of AC expenditure in 1988/89 to 31 per cent in 1996/97 (Gray, 2000: p. 150). To some extent the compromise conclusion to the reform of the RAAs was inevitable given the differences of opinion held by the core participants in the process, particularly given the lack of political significance that the arts have as a policy sector, but the ability of regional actors to exact concessions from the centre should not be under-estimated. Developments since the establishment of the RABs have shown that the regional level is becoming an increasingly important element of the arts support system in England (DCMS, 1999a), and that their establishment has not resolved the fundamental structural problems that it was intended they should. Indeed, given the locational position of the RABs within the arts support system it is unlikely that the inter-organisational conflicts that exist could be resolved given the conflicting demands between centre and locality that they continue to embody.

A similar position can be found in the case of more local actors within the arts sector, the local authorities. Local government has always been composed of independent political systems in their own right, with the capability of making autonomous policy choices for their areas of competence. Given this policy autonomy it should be expected that there would be considerable variation between local authorities in terms of their arts policies, just as there is in every other policy area that they are concerned with (Wilson and Game, 1998: pp. 118–9). This expectation is reinforced by the fact that the arts (and cultural policy issues in general) are only discretionary areas of activity for local authorities in England and Wales, unlike the statutory requirements of, for example, education, housing and social services. The discretionary nature of arts provision in local government in England and Wales requires, therefore, a degree of political commitment on the behalf of councillors and officers that is not present with statutory services, which have to be provided, regardless of such commitment.

The consequence of this is that there are distinct variations in support for the arts between local authorities: Williams *et al.* (1995), for example, showed that three times as many urban authorities had specific arts officers in place compared with rural authorities, and that 76 per cent of urban authorities spent over £2.50 per capita on the arts compared with only 9 per cent of rural authorities. The extent to which such differences are directly attributable to variations in commitment, and how much to the

disparity of resources between urban and rural authorities is debatable. American evidence implies that there are 'economies of agglomeration' in the performing arts, with urbanisation generating concentrations of artistic output (Heilbrun and Gray, 1993: p. 304), implying that local authorities are simply responding to their local populations in an unmediated fashion. Decisions on staffing and expenditure, however, depend upon the exercise of political choice, implying that local circumstances must be interpreted and acted upon in a conscious fashion, thus implying that a commitment to the arts within local government needs to be considered in more detail.

The changing pattern of local authority involvement in the arts would certainly provide support for the idea that local political choice is a key element in their management and provision at a local level. Certainly specific decisions about the provision of resources for the performing arts are heavily influenced by the precise circumstances that local councillors, in particular, are faced by (Street, 1995). More general matters, such as the management of commodifying tendencies, however, are usually less place specific and are more ideologically determined, implying that local effects need to be understood in this context rather than any other in the first instance.

The problems confronting the centre when attempting to undertake structural reforms at the regional level in the arts sector have been, in many cases, multiplied in the case of the local level. This has been primarily a consequence of the multiple forms of change that have been involved in the movement towards a more commodified status for the arts. By requiring change to take place across a number of dimensions of the arts support system governments, both local and central, are confronted by the need to construct a number of different strategies for successful implementation. As this increases the number of decision points that are involved in the process of change it is not surprising to see that a relatively simple process (as far as the centre is concerned anyway) becomes a much more politically-charged and contentious set of issue areas.

This political complication is increased by the fact that, regardless of the centralising trends affecting local government over the last 20 years (Wilson and Game, 1998), local authorities still retain the power of independent choice. To this extent, if no other, the differences between local authorities in terms of what they wish to achieve in the field of the arts, and how the arts are perceived within local government, are both important factors to consider. In this respect the changes that have been taking place in local government towards a more commodified conception of the role of the arts in local areas has clearly influenced the policy initiatives that have been developed in recent years as a response to this.

Perhaps the most important of these new initiatives has been the linkage of the arts with issues of local economic development at an increasing rate since the early 1980s. This development had two clear precursors in the activities of the Greater London Council (GLC) in the 1980s and the publication of Myerscough's (1988) *The Economic Importance of the Arts*. The former of these was important in that they were predicated upon a view of the arts as having an explicit political dimension to them which went

against the dominant aesthetic and artistic values that were held within the national arts oligopoly, represented at that time by the AC of Great Britain and the Office of Arts and Libraries in central government. In this view the arts could be used to empower disadvantaged groups within society by providing them with their own voice through the use of broader cultural and artistic tools than were then available. This empowerment strategy was supported by a shift in power and resources towards community-based groups and a move away from the 'high' arts towards more 'popular' forms of expression, such as photography, popular music and video (Gray, 2000: pp. 164-5).

The GLC was also important in developing the move towards treating the arts as a tool for local economic development (GLC, 1985). This move was still, however, predicated upon fairly traditional ideas about the role of the state in such issues and certainly did not incorporate the assumptions about the 'superiority' of the market over political forms of resource allocation that are a common feature of the commodification process. Even without such preconceptions, however, the arts were still placed in a secondary position in the economic development process. The emphasis was definitely placed on the arts as a sector of economic production, distribution and exchange rather than on them as a source of use-value in their own right. The idea that the arts sector could be managed as simply another set of economic resources was boosted by an acceptance that it was a contributor to local economies, not only through the employment and expenditure that it generated itself, but also through its role in encouraging spill-over effects into other forms of economic activity (such as tourism).

The situation of the arts in local government changed rapidly as it became increasingly argued that the arts were not simply capable of producing aesthetic pleasures but were also important components of a new political economy: creating "a climate of optimism ... developing the 'can do' culture" (Arts Council of Great Britain, 1988: p. 2) that the Conservative governments of the 1980s and 1990s supported. The consequence of this was that the arts became increasingly associated with other areas of local authority work — particularly planning and economic development. The results of this depended upon which local authority is examined: in some cases it was no more than using the arts as a promotional tool to stimulate tourism (Williams et al, 1995), in others they were utilised as a direct tool for economic development, even if the evidence to demonstrate the effectiveness of using the arts in this way was, at best, ambiguous (Griffiths, 1993).

The new importance that was attached to the arts as a consequence of using them as part of a broader approach to the fulfilment of other policy objectives demonstrated both the policy weaknesses of the arts as an independent sector, and the increased emphasis on economic criteria as the estimation of policy worth that is a part and parcel of commodification. Between them these created a climate that was driven, not by the requirements of the arts themselves but, instead, by alternative estimations of policy worth that did not share the dominant values of the various oligarchies within the arts network. The precise pattern of involvement of the arts with these alternative views

had, of course, to be determined by the relevant policy actors within each local authority, and how they understood the role of the arts.

The consequence of this was that there has been a proliferation of new developments affecting the arts across Britain, from the development of 'cultural quarters' (as, for example, in Sheffield and Huddersfield), to major infrastructural and educational investment in the arts (as, for example, in Birmingham). Such developments, however, are extremely localised ones: there is still no effective regional or national policy to lead the process of change. Local authorities have had to react autonomously to take on board both the range of general pressures that have been placed upon them by central governments (from Compulsory Competitive Tendering to Best Value), and the new opportunities that face the arts through their increasingly recognised policy importance. As such it is hardly surprising that there has been no single path to the development of a commodified policy system for the arts.

While central government has recently begun the process of attempting to encourage a more co-ordinated approach to the development of regional and local strategies for the arts and cultural policies in England (Department of Culture, Media and Sport, 1999a, 1999b) these depend upon the willingness of local and regional actors to create them. In Scotland, however, there is now a statutory duty on local authorities to make provision for the arts with the new Scottish Parliament having overall responsibility for this policy area. Overall, however, there is still an absence of anything approaching a co-ordinated policy towards the arts for Britain meaning that the choices of local and regional actors are still of key importance in this policy area. Given this it must be expected that diversity and difference will continue to be the order of the day for the foreseeable future.

Conclusion

It cannot be doubted that the process of commodification has had a major impact upon the arts within Britain (Gray, 2000). However, this development has been locationally specific, depending upon the precise circumstances that have faced individual areas and actors. The weaknesses of the arts as a policy area have contributed to the partial nature of the developments that have been taking place, leading to a situation where the interpretation of the requirements of what is required for the arts has been left to the willingness and ability of local actors to determine. These actors have therefore been able to exercise autonomy over the processes of commodification, leading to differences between localities in terms of the specific nature of the managerial and ideological changes that have taken place as part of these processes of change.

Where local actors have been weakest in exercising autonomy has been in the organisational and financial areas of change, where the choices and decisions of national actors have been more significant in affecting what takes place locally. Even here, however, as the example of the development of the RABs showed, local and

regional actors have been able to affect the specific nature of the changes that have been taking place, implying that the processes of commodification are not subject to simple imposition from the centre. The ability of local and regional actors to intervene in the process of commodification indicates that this is a process that is a politically contested area of activity that cannot be seen as a top-down process alone, but must also take on board the specifics of locality as well.

Commodification may be a process that is dependent, in the first instance at least, upon the choices and decisions of national political actors who set the parameters within which reform takes place. These boundaries around change, however, are then subject to interpretation at the regional and local levels, leading to variations in both the speed and direction that it takes. If the locational specificity of change is not taken into account then any analysis of the processes involved in the re-creation of policy arenas to match nationally-determined choices must be partial in nature.

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Local Government and the Arts

CLIVE GRAY

The arts have traditionally been seen as a minor policy concern for local authorities. Recent developments, however, have served to give the arts a new importance as a contributor to a range of policy initiatives within local government. This new importance has arisen as a result of the 'attachment' of the arts to other policy concerns. This article discusses why the arts have been utilised in this fashion and what consequences have arisen from this 'attachment' strategy for the arts in local government circles. The benefits that are associated with increased attention being focused upon the arts need to be weighed against the costs of so doing in terms of the core concerns of the policy area.

The recent request from the Department for Culture, Media and Sport (DCMS) that local authorities produce 'cultural plans' for their areas (DCMS, 1999a) marks a new stage in the role of local government in supporting and directly providing arts provision within Britain. The significance of this development can only be fully understood by reference to the changing nature of local authority provision for the arts, and its potential impact for the arts policy sector by reference to local variations between authorities in this area of activity. The role of local authorities in providing support for the arts within their geographical area is now a well-established fact, but the differences between local authorities in what they do in this sector and how they do it are likely to have major implications for the success, or otherwise, of this most recent development. This article, therefore, will describe how local authorities have become involved with the arts, the approaches that they have adopted towards arts policy, and the consequences of this for the creation of a 'creative Britain' (Smith, 1998).

THE ARTS POLICY SECTOR

Before commencing this analysis of local government and the arts, however, some discussion of the arts as a policy sector is required. There are

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a number of features of the arts that distinguish them as an arena of public policy making from other, more mainstream, local authority activities, such as education and housing.

Of principal concern here is the fact that the arts in Britain – unlike other local government policy areas such as housing or education or, indeed, the arts in continental Europe – have a minor status within the political system. In this respect they form a good example of 'low' politics: 'residual matters' of 'embellishment and detail' (Bulpitt, 1983: 3, 29) that have traditionally been hived off from detailed central control. Apart from the ideological underpinnings that have supported such an approach to the arts (such as laissez-faire and welfare statism, see Bennett, 1995) there have also been practical considerations that rationalise this. By establishing the formal control and management of the arts support system in organisations that are separated from direct ministerial control, central government can avoid accusations of state censorship or political mismanagement of the system. In this context, the preference in the British system to manage the arts through 'arm's-length' quangos – such the Arts Councils of Scotland, Wales, England and Northern Ireland and the Regional Arts Boards in England – or independent local authorities makes sense. Responsibility for the choices that are made by these organisations rests with them rather than with central government itself, freeing the centre from the political fall-out that can arise from the making of unpopular or contentious decisions.

A consequence of this institutional preference has been that there has developed a set of organisations able to create their own choices and values about their roles and the purposes of their activities. This, in turn, has generated the creation of a set of policy oligarchies within the state-supported arts sector in Britain that have considerable power to influence the manner in which policy is both created and implemented (Gray, 2000). While these oligarchies are most obviously observable in the Arts Councils (ACs) – which have the advantages of national policy scope, financial muscle and a certain degree of longevity behind them – they can also be found within other parts of the arts policy system as well. In the case of local government, for example, support for the arts and arts projects is often the consequence of the choices and decisions that are made by a relatively small number of officers and councillors rather than the result of a commitment by local authorities as a whole towards such activities (Street, 1995).

The concentration on a relatively small number of policy-relevant actors for the arts in local government is perhaps not surprising given the status of this policy sector as a discretionary rather than a statutory service area in England and Wales, and its relatively recent status as a statutory area in

Scotland since 1994. By being located outside the mainstream of policy concerns in local government that is afforded to statutory services, the arts have generally been dealt with as some form of bolt-on extra, which has only deserved consideration after the core functions of local authorities have been dealt with. As a consequence of this the idea of a fully blown arts policy within local government has only recently been developed. Throughout much of the post-war period arts policy in local government was generally concerned with small-scale commitments towards the arts *per se*, with much of the development of a general arts policy within Britain taking place at the national level.

Indeed the recent moves towards the development of cultural plans (DCMS, 1999a) marks a common theme in the management of the arts by local authorities in recent years through the attachment of the arts to other policy considerations that lie outside of the core concerns of the arts themselves. To clarify the significance of this point for the arts in local government it is necessary to review the recent history of this policy sector.

POLICY 'ATTACHMENT' AND THE ARTS IN LOCAL GOVERNMENT

Originally the role of local authorities in terms of the arts rested in regulation: providing licences for the provision of entertainment and, through local Watch Committees, providing some form of censorship of what was to be provided. Moving beyond this role had to wait until Section 132 of the 1948 Local Government Act (the 'sixpenny rate' clause: Hodson, 1986: 3), which allowed local authorities the discretion to raise money for the direct provision of entertainment. Sections 137 and 145 of the 1972 Local Government Act allowed local authorities the right to spend money on any activities for the benefit of the general public which were not specific duties of local authorities, and removed the limits on expenditure on the arts established by the 1948 Act by providing local government with 'comprehensive powers enabling them to provide or assist cultural activities' (Marshall, 1974: 16).

The consequence of this was soon felt in local government as increasing funds were dedicated to the arts as a policy sector, with growing amounts being spent on the provision of artistic venues and events. The areas on which these new resources were spent were heavily influenced, however, by what was taking place elsewhere within the arts sector. This was largely due to the discretionary nature of arts provision within local government, where the absence of any clear set of priorities for the sector as a whole, or a specific value commitment to the arts, left the field open to other actors within the sector to lead the way. This also served to generate clear

differences between local authorities in terms of what support was provided and the reasons behind such provision, both of which have remained true to the present day.

The Arts Council of Great Britain (the ACGB) was by far the most important actor in this context, providing the only source of overall national policy that existed for the arts until the mid-1960s when central government began to become tentatively involved in the sector. As the central actor within the system, the ACGB was able to provide guidance and support for local developments in the form of its commitment to the traditional 'high' arts (classical music, opera, theatre, ballet and the fine arts) located in fixed buildings. This commitment had a significant impact on the expenditure priorities of local authorities for the arts, with large sums being spent in the 1960s in pursuit of the ACGB policy of 'housing the arts' (Gray, 2000: 161).

The seeming reluctance of local authorities to develop their own sets of policy commitments and priorities for the arts was a consequence of them being in a secondary position to the ACGB and could be taken to imply that the pressures being exerted on the arts as a discretionary area of activity within local government militated against the development of innovative or radical policy ideas. In this respect it would appear that the criticisms made of the structure of local government during the 1960s concerning its ossified nature and its lack of relevance to the changed patterns of working and living that had developed during the twentieth century (see, for example, Redcliffe-Maud, 1969: 2–3), with consequent effects on the development of policy initiatives, were as true for the arts as they were for other policy areas.

While there was little real development of the role of the arts in the affairs of local government as a whole this should not be taken to mean that individual authorities themselves were not being innovative. While the overall position was marked by a continuation of the regulatory and 'traditional' view of the arts that had been previously developed, changes were in place which marked a move away from these established patterns, particularly in the development of community and 'popular' arts initiatives in the 1960s and 1970s. It is in this context that the concept of policy 'attachment' assumes significance.

Policy 'attachment' contains the idea that policy development in certain policy areas takes place through the attachment of that area to other policy concerns. In the case of the arts in local government this has been evident through the association of the arts with a range of issues since the Second World War which have served to set the parameters for the assessment of the validity and utility of pursuing arts objectives. This has generally meant that the arts are not considered in their own right (a version of the 'art for

art's sake' doctrine), but rather for what they can contribute to the attainment of policy objectives in other sectors.

In some respects the pursuit of the ACGB policy of 'housing the arts' was indicative of this policy attachment, with the development of local initiatives being heavily influenced by factors external to the specific conditions confronting individual local authorities themselves. The absence of any clear local policy choice about the arts left a vacuum that the national policy of the ACGB filled, providing a basis upon which local developments could build (literally in the case of the housing the arts initiative). Policy attachment, however, goes beyond simply fitting in with the policy choices made by other actors operating within the same policy sector: it also includes the linkage of one sector with others as a mechanism for achieving policy ends.

To this extent, policy attachment has associations with the 'garbage can' model of policy development (Cohen *et al.*, 1972) – where policy solutions can exist independently of specific problems or issues but, in the right circumstances, can be given a practical meaning through their association with a range of potential areas for action – but goes beyond this idea as a consequence of dealing with policy at the sectoral level. In the case of the arts this is exemplified by the mechanisms that existed, and still exist, to allow a 'weak' policy sector to achieve its ends. Policy solutions do not exist independently – as some form of free-floating 'meme', for example (see John, 1999) – but are closely associated with the interests that are inherent in policy sectors. The manner in which they are made operational is seen as being dependent upon the ability of policy makers to 'attach' these solutions to other sets of policy objectives which are seen as being more worthy, or which have higher levels of political importance and acceptability attached to them.

In these circumstances it could be anticipated that policy sectors with relatively low levels of political support or, indeed, low levels of political 'muscle' would display the characteristic of relative policy promiscuity, where the declared aims of policy are subject to restatement in the light of changing concerns amongst more powerful political actors. The consequence of this would be that the supporting arguments used to justify policy initiatives would be presented in terms of differing sets of priorities over time. While this might be taken to imply the absence of any clear long-term strategy for a policy sector it could equally imply that a certain degree of band-wagon jumping (or changing of horses in mid-stream – or any other appropriate cliché that comes to mind) is a conscious approach to the fulfilment of long-term plans which could not otherwise be achieved. Thus investment in the arts can be justified by reference to the job-creation opportunities that it represents, providing not only the necessary funds for

such investment but also the necessary political support for it within the local authority which may not otherwise be forthcoming if such investment were simply presented in terms of the benefits it would bring to the arts themselves.

A secondary consequence of this argument is that it must be expected that policy development will take place differentially both within and between organisations. The extent to which policy attachment is utilised as a strategy for the attainment of policy goals will be largely dependent upon the extent to which policy makers themselves accept the need to undertake such an approach. As policy makers within different organisations are not identical it must be assumed that there will be differences between individual organisations in terms of how far an attachment strategy is deemed to be a workable solution to policy problems within a sector. Equally the attachment that takes place can also be expected to differ between organisations as policy makers' perceptions of what makes for the appropriateness of attachment between policy sectors will not be identical between them. Thus it should be expected that policy attachment will lead to the development of differing strategies for managing similar sets of issues as a consequence of the political choices made within organisations (Gray, 2001).

The extent to which the arts within local government can be seen to be subject to this process of policy attachment can be assessed by reference to the development of arts policy initiatives over time. If there is a pattern of differential policy development between authorities, and if there are indications that such development has been dependent upon the attachment of the arts to forms of policy initiative within local government which are primarily concerned with alternative policy objectives than those of the arts themselves, then there is support for the idea that less central policy sectors within local government (such as the arts) achieve their aims through a process of exogenous attachment rather than endogenous initiative.

DEVELOPING THE ARTS IN LOCAL GOVERNMENT

The weaknesses of the arts as a coherent policy sector within local government because of their discretionary nature, low political salience and fragmented field of activity, with many actors having a role to play in the provision and development of arts policies, have combined to make this area a distinctly peripheral concern in many local authorities. At a basic level there is a clear distinction to make, for example, between urban and rural local authorities: Williams *et al.* (1995: 77–8) have shown that three times as many urban authorities had specific arts officers in post compared with rural ones, and that 76 per cent of urban authorities spent

over £2.50 per capita on the arts compared with only nine per cent of rural authorities.

The reasons for such differences between authorities are subject to debate. It may be that there is simply a greater commitment to arts funding and other forms of support for the arts in urban areas, or it may be that there are disparities in available resources between urban and rural areas. American evidence (Heilbrun and Gray, 1993: 304) implies that there are 'economies of agglomeration' in the performing arts, with urbanisation generating concentrations of artistic output. In this case local authorities may simply be responding to such 'agglomeration' in an unmediated fashion. Variations in patterns of expenditure, however, would tend to discount such an explanation. While there is a high level of concentration of net revenue expenditure within local government, with a small number of authorities spending large amounts on the arts (ten per cent of district councils in 1992/93 spending 46 per cent of total revenue spending on the arts by districts: Feist and Dix, 1994: 8), this would appear to be more a consequence of the party political make-up of authorities (Feist and Dix, 1994: 17–18; Marsh *et al.*, 1995: 35–6) than anything else, implying a degree of conscious political, if not artistic, choice within authorities.

Regardless of levels of expenditure between authorities, it is apparent that the arts in local government can be used for multiple purposes by different organisations. The Audit Commission (1991: 12), for example, identified five major justifications for spending on the arts and artistic venues by local authorities: the promotion of artistic excellence and innovation; access and the enhancement of quality of life; social cohesion; the attraction of tourists and industry to an area; and supporting the local cultural heritage of an area. The DCMS (1999a: 37–8), on the other hand, refers to the role of the arts as part of a broader cultural strategy that can contribute to a range of objectives from service specific to thematic ones which incorporate ideas of economic regeneration and social inclusion alongside those of the arts themselves. Indeed, most of these reasons for making expenditure on the arts by local authorities have little to do specifically with the arts, as arts, themselves.

Given that the arts can clearly be utilised for a wide range of policy objectives cuting across policy sectors, it is hardly surprising that the manner in which arts strategies have been pursued by local authorities have tended to take different forms at different times. For many years, the arts nationally tended to be seen as an 'extra' that served purposes of civilising the population and contributing to social stability (Bennett, 1995). The emphasis in local government up to the early 1980s tended to be based around the requirements of the arts themselves (a form of 'art for art's sake'

approach), where they were given any real support at all. The normal form of this support being through the traditionally accepted provision of local art galleries or support for local theatres and orchestras. This picture, however, changed, with a range of new initiatives being introduced into local government that moved the focus from the arts themselves towards the contribution they could make to other policy objectives.

The key change which affected how the arts were dealt with in local government came with the Labour years in power in the Greater London Council (GLC) from 1981–86. The arts policies of the GLC in this period were designed to support a conscious political strategy to provide disadvantaged groups within the community with their own voice (Bianchini, 1991: 6). In this context, the focus of policy shifted away from an emphasis on the 'high' arts (usually seen as including classical music, theatre, opera and ballet) towards more 'popular' forms of artistic production (such as photography, video and popular music). By itself this marked a significant step away from the aesthetic and artistic principles which were supported at the national level in central government and the Arts Council (see Gray, 2000: 98–103) in favour of a much more clearly politically committed intervention in the arts. In addition, however, the GLC also began to use the arts as an explicit element in economic development and redevelopment policies shifting attention away from the arts themselves towards their contribution to other concerns it had at this time.

While the Conservative government at national level saw the private sector as the key mechanism for regenerating run-down urban economies, the GLC was still wedded to a post-war consensus politics model which saw a central role for the state in this process (Parkinson, 1989: 3–4). In this respect, the arts was seen as a policy area that could be utilised to contribute to goals associated with another set of policy concerns altogether. This meant that there was an effective shift away from a policy focus concerned with the arts themselves, and a move towards seeing the arts as a tool which could be used for purposes of economic and employment growth:

> we envisage the state playing a new role, going well beyond the provision of culture to an often passive public. We see this role being primarily based on investment rather than grant aid, and on supporting economic infrastructures – such as distribution and publicity networks – rather than individual productions. (Ward and Pitt, 1985: 5)

The change in focus that this development represented was closely related to the sheer size of the artistic community in London. As it was so large, particularly in comparison with other cities, it provided a clear focus

for economic and employment strategies within the metropolitan economy. Such an advantageous position did not exist in other conurbations in the same way, implying that the movement towards using the arts as a tool of economic development might have been of only limited significance for local government as a whole. The example of the GLC, however, demonstrated that the previously unconsidered area of the arts could provide real gains for local authorities, reinforced as it was by the increasing acceptance of 'the economic importance of the arts' (Myerscough, 1988) amongst policy makers at all levels within the system. This was of real significance, given the squeeze on local authorities by a Conservative central government which appeared to have little faith in the role of the public sector as a motor for economic change and growth.

This acceptance was demonstrated by the ACGB (1985), which explicitly made the case for supporting the arts on the grounds of economic investment, arguing that the arts not only generated employment in their own right but also served as a mechanism for encouraging tourism, with its associated expenditure, in local economies. The ACGB also argued (1988) that the arts could serve to inculcate the attitudes seen as being necessary for the revitalisation of economically deprived areas. In this line of argument the arts themselves were of secondary importance: their significance lay in the way in which they could act as a catalytic factor to bring together a diverse range of interests. These interests could range from those of the consumption interests of the 'service class' (Griffiths, 1993) to the economic interests of developers and the social interests of disadvantaged groups within society. In this respect the arts in local government were clearly becoming attached to the policy concerns and interests of other political actors within the political system.

The experience of the GLC certainly served to focus attention on the arts in local government to a greater extent than had previously been the case. In some instances this took the simple form of promotional exercises designed to increase the levels of tourism to particular local authority areas (Williams *et al.*, 1995). In others the arts provided a basis for economic development and employment strategies that were designed to counter declining economic prospects – even if the evidence to illustrate the effectiveness of the arts in this sphere is, at best, ambiguous (Griffiths, 1993; Stanziola, 1999). In part, at least, the difficulties of using the arts as a key sector for economic development strategies is a consequence not so much of the weaknesses of the arts sector for this purpose as it is of 'the diversity and range of interests involved' (Strange, 1996: 37) in this policy arena.

The multiple, competing, interests that exist in the field of economic development and redevelopment further direct attention away from the arts

sector *per se*, effectively compounding the limited political clout the arts have in local government circles. To this extent, the use of the arts as a tool for the achievement of goals outside the arts sector itself serves to introduce new forms of political calculation into the evaluation of the purposes of arts policy. The consequences of this are to further deflect attention from the arts themselves and for them to become increasingly seen not as an independent policy sector in their own right but as a contributor to the fulfilment of the goals of other sectors altogether. Such a view is exemplified, for example, by discussing the arts purely as tools for economic and social development and not as a distinctive arena for production in themselves (see, for example, Fleming, 1999: 6).

The diversification of policy ends away from those of the arts sector itself that is represented by such views has been made clear in the draft guidance to local authorities when preparing cultural strategies for their areas. Local authorities have to make clear how their cultural planning informs, and is informed by, other planning exercises that they are involved with, 'including their Land-Use Development Plan, Education Development Plans, Annual Library Plans, Agenda 21 Plans and other plans ... including the Best Value Performance Plan' (DCMS, 1999a: 14). Alongside this exercise, local authorities are also meant to take into account the objectives of central government, regional bodies, such as the Regional Development Agencies and Cultural Consortia (DCMS, 1999b), and other agencies working in associated fields, such as the Regional Arts and Tourist Boards; and to have regard to such wide-ranging initiatives as social inclusion, environmental sustainability, regeneration and life-long learning (DCMS, 1999a: 15).

Such an all-inclusive approach clearly indicates the extent to which ideas of 'joined-up government' (Cabinet Office, 1999) have become part and parcel of the presentation of new initiatives within the public sector. Whether the arts are likely to benefit from this as a policy sector in the context of local government, let alone central government, is, however, open to question. The political weaknesses of the arts within both central and local government would appear to have created a position where the only possibilities for the creative development of the arts as a policy sector depends upon their ability to successfully attach themselves to other policy concerns and sectors. Whether this is appropriate for the attainment of artistic goals and objectives is another matter altogether.

THE CONSEQUENCES OF 'POLICY ATTACHMENT'

The changes that have been introduced to the arts policy sector over the last 20 years have had a considerable impact in moving towards a more

commodified approach to managing this area of public policy (Gray, 2000). This shift has affected the organisations concerned with the arts, their styles of management, the underlying ideological framework within which they operate and their financing. The consequences of this have led to a reconstruction of the sector towards a new political economy for the arts, based upon seeing this area not as an independent policy sector in its own right but as a subservient tool that can be utilised for other purposes. The weaknesses of the arts, not only in local government but also within the overall British political system, have served to support this trend. The implications of this development for the arts are fairly obvious but deserve consideration.

Traditionally the arts in local government have been dealt with as a discretionary extra that could be utilised or not depending upon the wishes of local policy makers. The focus of such choices as were made by local authorities was largely based around the dominant values that were to be found in the arts policy sector itself and how these were interpreted and managed by local political actors (Gray, 2001). By changing the focus of arts policy away from these internal concerns towards those of other policy sectors, the arts have gained in so far as they have become the subject of increased concern and involvement within local authorities. However, it could be argued that a secondary consequence has been that the focal point of arts policy has changed as a result of this increased activity. Whether this development is comprehended as being to the benefit of the arts themselves is a key subject of concern. From the point of view of the people within the arts sector it may appear that the aesthetic and artistic principles which lie behind the arts are being demeaned by a gadarene rush towards ideas of policy 'relevance' that may not be appropriate for the sector. The view from other policy sectors may be more encouraging – *if*, that is, the arts *are* capable of being utilised in an effective manner for the achievement of other, more far-reaching, policy goals which cut across the arts sector itself.

The problems of introducing the arts as a new tool for policy development in other policy sectors, and whether they can be utilised effectively within these other contexts, are clearly of some importance here. Adding the arts to already crowded policy arenas (such as economic development, for example) would imply that such additionality is by no means going to be unambiguously straightforward, while the limited evidence to show that the arts are an effective tool for such ends (see Griffiths, 1993) would imply that further consideration of the ends of policy for which the arts are a means is required.

In this respect the 'attachment' of policy to the concerns of other sectors entails costs as well as benefits. While the arts have benefited

from increased political salience, and from the creation of a more central role for the sector across a range of policy concerns, there is the distinct possibility that these have been obtained at the cost of what the sector has traditionally stood for in the way of supporting and encouraging the creation of cultural and artistic products for society as a whole. It could be argued that 'attachment' has been at the expense of the core element of the arts themselves and, to paraphrase the biblical message, what does it profit a policy sector to gain political and financial support if the cost is its soul?

CONCLUSION

The turbulent environment that has been confronting local government for many years now has clearly had as significant a set of effects upon the arts as it has for other policy areas. The impact of the changes within local government arts provision has been varied, depending upon local circumstances and local political choices (Gray, 2001). What has been clear, however, is the gradual movement away from the arts *per se* as a focus of policy and an increasing use of them as a mechanism for the achievement of other organisational goals.

Developments within the arts themselves can certainly be seen to be subject to a process of differentiation: in some authorities the emphasis in the arts remains upon education and access, in others it has become concerned with tourism, and in yet others it has become concerned with economic development and redevelopment through, for example, the creation of 'artistic quarters' within cities and towns (examples of each of these strategies could be found, for example, in Powys, Birmingham and Sheffield respectively). This differentiation has largely resulted from a process of policy 'attachment' whereby the arts have become linked with other policy objectives than those of the arts themselves, with the result that alternative ideas about what the arts in local government exist for have been generated.

For policy sectors such as the arts, which have considerable structural and political weaknesses within the local government system, the pursuit of such an 'attachment' strategy provides a means by which greater opportunities may be created for policy development. The costs of pursuing such a strategy may, however, be considerable as policy direction and focus become colonised by alternative conceptions of policy goals and aims. Certainly the shifting of focus in the arts towards other ideas of policy intention can be argued to have led to a loss of the core meaning for arts policy within local government and, consequently, the possibilities for the establishment of a new cultural and artistic domain within British politics

could be seen to have been weakened, regardless of the proclamations of central government ministers (Smith, 1998). In this respect, the development of new cultural plans for local authorities (DCMS, 1999a), with the emphasis on policy 'attachment' that is contained within these, is simply a further stage in a process that the arts in local government have become accustomed to in recent years. Whether it is likely to improve the position of the arts *per se* within local authority circles will only be answered by the passage of time.

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The Millennium Dome: 'Falling From Grace'

BY CLIVE GRAY

PRIOR to its opening, the Millennium Dome received something of a mixed press, views ranging from the deeply pessimistic—that it was a cultural disaster waiting to happen[1]—to the gloriously optimistic—that it marked a significant opportunity to make a bold expression of faith in the future.[2] The experience of mounting, opening, running, closing and selling the Millennium Dome tended to indicate that the former, pessimistic, view was a far more accurate prediction of the future.[3] The problems that arose during the life-time of the Dome experience caused many difficulties for the Labour government. The fact that they did not fade from the scene but returned again and again provides some evidence that the underlying problems were sufficient to create the conditions of a crisis of management. The extent to which the Dome issue was more than the proverbial storm in a millennial tea-cup is open to debate, but in terms of how it was treated by the media, in particular, it gave every sign of being a crisis for the government.

This article examines the circumstances that gave rise to the Millennium Dome crisis, how it was then managed by political actors, and what the consequences of this experience were. A key feature of the troubled history of the Dome was that the location of day-to-day management with quangos allowed the government to manage the developing crisis by doing nothing. Such a strategy may not form part of the usual rule-books for crisis management, but in the case of the Dome it was certainly effective. To follow this through, one must locate the Dome crisis within the context of the troubled history of the entire project, while also bearing in mind the major personalities that were involved in it and the management of public relations that formed a key part of the story.

The story

Stephen Bayley, who was briefly Creative Director of the Dome, quotes the *New Yorker* as saying 'it's impractical, extravagant, and useless—a great European monument'. The figures that emerged at the end of the one-year operational life-span of the Dome would certainly bear out some of these accusations. By the time it closed for business, it had cost £628 million in grants from the government, the Millennium Commission and the National Lottery; it had attracted 5.5 million paying

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customers (as compared with an original target of 12 million); and it had attracted just over £117 million in sponsorship (which was just over two-thirds of the original target of £175m).[4] Stated in the bald terms of these figures alone, it was clear that the Dome failed badly in certain areas of performance. At the very least, it fell some way short of the original intentions of the project and cost a great deal more than originally envisaged. Starting with the final results, however, is to jump the gun: the process leading to the generation of these figures is of central importance for understanding both how and why they were reached.

It may be argued that the ultimate failings of the Dome can be traced back to the original decision to launch the project. Certainly, many of the seeds of later difficulties were sown during the early stages of its development and, as these formed the basis for the later crisis, they need to be identified. The story really begins with the decision of the Conservative government of John Major that the coming of the new millennium required some form of event, or series of events, to mark the occasion. It was agreed that funding for the festivities should come from a tranche of the proceeds of the National Lottery, given to a new quango (the Millennium Commission) with ultimate responsibility for distributing the money. A major advantage of a quango as the basic management mechanism for millennium events was that inevitable accusations of unwarranted political interference could be neatly side-stepped by ministers (and civil servants). In the event, the decision can be seen as remarkably prescient. It enabled both the Conservative and Labour governments involved with the Dome to pre-empt criticism of their actions. By passing the buck for managerial failings, they could minimise their actual role as well as their vulnerability to criticism. Given the centrality of this avoidance of responsibility, it is important to emphasise the point.

The Millennium Commission was formally established in October 1993 and met for the first time in February of the following year. Clearly, work had been going on behind the scenes as it only took the Commission a month before announcing the decision that a national 'festival' should be mounted to mark the millennium, alongside a range of regional and local events. (The finger of responsibility for this decision seems to rest with Michael Heseltine who not only chaired the Commission but was a major supporter of the Dome until it became clear how large a problem it had become.) A consultation paper on this national festival was issued in March 1995, and the final decision to locate it at Greenwich was made in February 1996.

While the decision to locate at Greenwich was not made without argument, once made, the process of developing the site was rapid. Indeed, the speed was remarkable given that the first task was a massive decontamination of the site which had previously been home to a gas-works, largely derelict since the late-1970s and finally closed in the

mid-1980s. Construction of the actual Dome began in June 1997, 'just four days after the New Labour government confirmed that the project would go ahead'.[5] While the construction of the outer shell took just over a year to complete, the internal fitting-out continued until the day of the official opening ceremony on 31 December 1999.[6]

The opening ceremony itself can be seen as symbolic of the later problems the Dome confronted. 'Most consequentially, VIP guests including national newspaper editors and the BBC's Director General were held up for hours at Stratford Underground Station for a security check', and this led to a depiction of the opening as 'a fiasco'.[7] If the problems of the Dome had remained at the level of some personal inconvenience for invited guests, there would have been no view that it merited the title 'crisis'. Unfortunately this was not the case. The Dome had to apply to the Millennium Commission for extra grant funding four times in the year 2000: in February (£60m), in May (£29m), in August (£43m) and in September (£47m). On two of these occasions (May and September) the Commission's Accounting Officer refused to justify the giving of further grant-aid to the Dome on value-for-money grounds and required specific instructions from the Commission before releasing the funds.[8]

As if the problems of the Dome during its limited operational period were not sufficient, further difficulties arose over the sale of the structure and site after the millennium celebrations were completed. Potential buyers backed out of proposed deals after failing to meet the government's selling-price, and the final disposal of the Dome does not guarantee the government any financial return at all.

This brief history demonstrates that there was no single occasion when the Dome changed from being a problem to becoming a full-blown crisis. Instead there was a steady accumulation of embarrassing events and difficult moments—a form of 'creeping crisis'—that created a situation where the government was portrayed as staggering from one crisis to another. While the financial cost of the Dome enterprise indicates that something clearly went wrong, this does not explain the how or the why of the underlying problems that led to such failure. To understand why the Dome acquired its crisis-ridden status, one must look at a number of areas of concern which, between them, contributed to this state of affairs.

The remainder of this article will attempt to make sense of the overlapping, and often contradictory, pulls that were generated as a consequence of the Dome project. While the financial issues surrounding it are clearly significant, there are other areas of concern that merit attention. Not least among these are the practical weaknesses of the entire project; the role of elected politicians in the life-story of the Dome; the role of the media in contributing to the difficulties of the project; and the lack of any effective strategy either for the running of the Dome festival or for the disposal of the site at the conclusion of the

year. The crisis lay in the accumulation of pressure that was generated by many factors.

Creating a crisis

Bearing the above in mind, it is possible to identify several stages in the life of the project where decisions were made that contributed to the overall effect of crisis creation (see the Chronology of the Dome, Table 1). While ultimate responsibility for the difficulties of the Dome rested squarely with the Labour government, the original decisions concerning the project made by the preceding Conservative government require some consideration. Indeed, it can be argued that these laid the foundations for several of the difficulties that the Labour government was later forced to deal with.

By the time that the Labour Party was elected in May 1997, the basic rules for running the Dome enterprise had already been established. The Labour government could have amended, replaced or rejected these rules but did not do so, effectively rubber-stamping already determined choices. On coming to office, it instigated a review of the project that barely took a few weeks to reach an affirmative conclusion on its future. Cancellation of the project would, almost certainly, have had short-term financial and political costs. Whether these would have been less than the longer term costs of continuing is unknowable, but it is significant that two of the politicians most intimately connected with the project—Michael Heseltine and Peter Mandelson—have both now stated that it should never have been continued. Mandelson, for example, saying, 'I'm sorry. With the benefit of hindsight, we should have thrown in the towel' in an interview with *GQ* magazine.

1. The Chronology of the Dome

October 1993	Millennium Commission established
February 1994	Millennium Commission commences work
March 1994	Announcement of national 'festival'
March 1995	Consultation paper on 'festival' issued
February 1996	Greenwich announced as site of the 'festival'
June 1997	Construction of the Dome commences
December 31 1999	Official opening ceremony
January 2000	Bidding opens for development of Dome site
February 2000	Extra grant funding (£60m) given
February 2000	Jennifer Page, Chief Executive of NMEC, sacked
March 2000	Robert Ayling, Chair of NMEC sacked
May 2000	Extra grant funding (£29m) given
May 2000	Shortlist of 'preferred bidders' for site produced
August 2000	Extra grant funding (£43m) given
August 2000	Culture, Media and Sport Select Committee Report published
September 2000	Extra grant funding (£47m) given
September 2000	First 'preferred bidder' backs out
November 2000	National Audit Office Report published
December 2000	Dome shuts
February 2001	Second 'preferred bidder' backs out
December 2001	Sale of Dome to Meridian Delta Ltd announced
2004	Scheduled opening date for redesigned Dome

Acceptance of the basic ground-rules established by the Conservatives for the Dome project locked the Labour government into a set of calculations and estimates that had significant effects on the future of the event, none promoting its success. A key example is contained in the estimates of visitor numbers that underlay the calculations used to assess the viability of the scheme. These varied between 12 and 30 million, even though civil servants in the Department for Culture, Media and Sport (DCMS) believed that a figure of around eight million visitors was more likely. Given that all these estimates were made while knowing absolutely nothing about what the Dome would display, a certain wariness about them would have been justified. The Conservative government plumped for a figure of 12 million visitors and used this as the basis for projecting costs and revenue for the project. It is interesting that on estimated costs and estimated revenue the budget would have been in balance with 12 million visitors, implying a desire to show the scheme as a cost-free source of enlightenment and entertainment. (The claim that the final estimate of sponsorship income was literally calculated on the back of an envelope while the Dome itself was being constructed, and was a figure simply plucked from the air to make the budget balance is, perhaps, apocryphal, but it still makes a good story.) It is hardly surprising that the wildly over-optimistic cost and revenue forecasts which formed the basis of the budgets led to acute financial difficulties for the project when visitor numbers failed to materialise and when operating costs rose considerably.

The continuing difficulties of the Dome that led to the view that this was a project which was in crisis stemmed directly from its failure to attract visitors. It was this that led to both the repeated requests for grant-aid assistance from the Millennium Commission and to the initial views about the Dome as a governmental white elephant. Given that many of the further difficulties that were associated with the Dome were connected with the appalling media coverage it received as a consequence of its financial difficulties, one needs to ask why the public did not visit. There are, of course, many reasons. Of key significance, however, would have to be the weaknesses of management; the absence of any clear idea of what the Dome was to be there for; the location of the site itself; and the negative media images presented to the public. Each of these had a clear impact in creating the image of a project in crisis, and, indeed, in making that image a reality.

The first question is the management of the scheme. This can be considered in two parts: the cumbersome organisational structures that were used to manage the overall scheme, and the weaknesses in operational management within the company that had day-to-day responsibility for the functioning of the Dome itself, the New Millennium Experience Company Limited. The complexity of the managerial framework within which the Dome operated was largely a consequence of the desire to protect politicians from direct responsibility. The use of

quangos (both the Millennium Commission and the New Millennium Experience Company were such types of organisation) may have operated as intended in protecting politicians from having to bear the burden of blame when things went wrong, but they hardly provided an unambiguous demarcation of responsibilities and functions. The overlaps between organisations and the cumbersome nature of the overall managerial structure behind the Dome were heavily criticised in the report of the Comptroller and Auditor General. Complexity led to a degree of ambiguity and loss of leadership for the project.

The operational management of the Dome on a day-to-day basis led to further difficulties. The New Millennium Experience Company was something of an afterthought in the overall scheme of things, and only existed because the original organisational choices for managing the Dome pulled out. The executive levels of the Company had minimal previous experience of running anything resembling the Dome. This was apparent throughout the early days of the its operational life (for example, at the start it was impossible to actually buy entrance tickets at the Dome itself; they had to be pre-brought from ticket offices dotted around the country) and led directly to the two high-level Company casualties. The first chief executive, Jennifer Page, was unceremoniously fired, and the first chair of the board of directors, Robert Ayling, resigned as a consequence of the clear managerial failings that had become apparent. The replacement of Jennifer Page by Pierre Gerbeau, hired from EuroDisney in France, had a marked effect on managerial efficiency and effectiveness; he is thought to be responsible for generating many more paying visitors than would otherwise have been the case.

While these sets of managerial weakness contributed to the problems of the Dome, they must be placed in the context of what management was expected to deliver. The previous examples of large-scale events in Britain, the Great Exhibition of 1851 and the Festival of Britain in 1951, had both had clear ideas about what it was they were intended to do: the Dome effectively had nothing. The major criticism made by Stephen Bayley, for example, was the total lack of an overarching vision about what it was meant to be for. While there was a clear personal edge to Bayley's criticisms—based on an almost complete abhorrence of Peter Mandelson—there is no doubt that the absence of some sort of coherent shape to its contents had a negative impact. It has been argued that whatever messages there were to be found in its displays were imposed by the corporate sponsors and had little to do with anything other than the interests of those sponsors. In these circumstances, any marketing strategy to sell the Dome to the public was bound to face difficulties, particularly at the prices that were being charged. This contributed to the failure to attract enough visitors to make it financially viable.

The location of the Dome site in Greenwich also needs to be

questioned. There were some clear reasons for the final choice. Not only would the Dome stand on the meridian line, with the associated symbolism that this would have, but it was also an opportunity for some urban regeneration on an extremely run-down area of Greater London. There were also clear reasons not to locate the centre for millennium events in Britain there. On logistical grounds alone, Birmingham would have made far more sense. The numbers of visitors to Greenwich was clearly affected by distance from London and, even with the improvements to the infrastructure for travel, Greenwich was still not readily accessible, even for Londoners.

The final consideration in assessing responsibility for the failure to attract visitors is the role of the media in reporting the Dome throughout its short and relatively inglorious life. This leads into a much larger issue central to the case for treating the Dome as an example of a crisis for government—how media relations were managed by all of the participants concerned. Given the central importance of this, it requires consideration as a whole rather than as part of the explanation for low attendances.

Managing the media?

The role of the media in the Dome fiasco can be seen in conflicting ways: either they simply reported the sorry facts of the case as it unfolded; or they managed the presentation of the news in such a way as to make the situation worse than it actually was; or they bore direct responsibility for the creation of the problems of the Dome. While these are presented as forming some sort of continuum of media culpability in the Dome story, the reality is far more complicated and revealing, particularly in terms of how the crisis that was generated was managed by the government.

At the very least, the ways in which the Dome story was covered in the media (particularly in the daily newspapers) not only brought its less glamorous side before the public but also played a major part in presenting it as a scandal demanding action. Indeed, the ways in which the story was presented served to make it a party-political issue. To some extent this fits in with the expected pattern that certain parts of the press have political views and will indulge these whenever the opportunity arises. Laying the blame for all of the shortcomings of the Dome at the door of the Labour government was particularly marked, for example, in the *Daily Mail*. It used every possible occasion not just to attack the weaknesses of the Dome but to attack individual ministers also and, in a number of cases, to personalise these attacks in attempts to link them with the Prime Minister.

Notwithstanding the clear political animus that lay behind the reporting of the *Mail*, it cannot be doubted that the delight that was taken in identifying the Dome problems played a major role in presenting the issue as being one of great significance. The journalistic overkill in

sections of the media—where demands for ministerial resignations followed reports on the Dome as day follows night—had a secondary effect, however, contrary to the desire for governmental blood. By ignoring the specific points that the Dome was a poor project, badly managed and based on wildly optimistic assumptions (any of which could have served as the basis for a serious administrative and political crisis), and by making the case a much more personalised one concerning ministerial responsibility, the press actually made it easier for the government to evade the criticisms being made. A report in the *Daily Telegraph* (10.9.00), for example, typifies this, stating that 'a chorus of national newspapers demanded the resignation of the minister responsible for the Dome project, Lord Falconer'. Such demands met their usual success: none whatsoever.

As an article in this Journal's Britain 2000 issue noted: 'Conservative Party spokesmen pointed with glee to the family resemblance between the Dome and its parent, the Blair administration: all gloss and style on the outside but no substance on the inside, with, finally, nobody willing to accept responsibility for the all-too-evident failure'.[9] The ability to escape taking responsibility rested primarily on the use of quangos as buffer mechanisms. With these in place, the government was in a position of some advantage. Demands for ministerial blood would not succeed as ministers denied direct responsibility. As an effective defence mechanism to protect politicians from the worst consequences of crisis situations, quangos clearly proved their worth.

In this respect, the government was actually fortunate in the role that the media played. By aiming at the wrong target—the responsibility of individual ministers—sections missed the opportunity to cause some real damage to what they clearly saw as the enemy, the Labour Party as a whole. In formal terms, ministers really had no responsibility for what was taking place and were thus able to fend off with some ease opposition and media calls for heads to roll. This was made even easier for the government by virtue of its sizeable majority in the House of Commons and the evident weaknesses on the opposition benches which, in common with the media, tended to concentrate on issues of ministerial responsibility rather than the deeper issues involved in the case.

Placing the blame for failures to turn a media crisis into a political one on the media and the opposition, however, is to miss some of the point about how the Dome issue was actually managed by the government. In practice, the two governments that were involved (Major's and Blair's) adopted different strategies for managing elements of the problems they confronted, and it is to these strategies that we now turn.

Managing the mess

While potential pitfalls confronted governments at every stage of the process of initiating, implementing and terminating the Dome project, it was the mass media that would seem to have had the greatest impact

in changing the situation from a minor inconvenience for governments to the appearance of a major crisis. How governments managed their relations with the media is, therefore, a matter of some importance in this case. More than this, however, needs to be considered because the mechanisms by which different stages of the Dome crisis were managed varied with the nature of the problems that were being dealt with. A precise list of all of the problems would be large. The more important are considered here: the siting of the project; the contents of the Dome experience; the convoluted management structures that were utilised; the demands for further funding that were generated; the absence of any clear strategy for the project; and the absence of any 'exit' strategy, including any plans for selling the site. Running through the process, almost as a subtext to each of the above, was the problematic nature of the relationship of the Dome project to the media.

A great deal of the government's attention and energy was spent on fighting a public relations war to preserve the possibilities of at least partial success for the project. At the start, the dominant image was that of the Dome as a giant flagship for Britain, displaying the wonders of life in the country and the great things that we have achieved. Michael Heseltine, in 1996, said: 'I want millions of visitors to visit the country, share in the festival and go away deeply impressed, much excited by British achievements. It is about selling ourselves and our country.'[10] Chris Smith, who took over from Heseltine as the chair of the Millennium Commission after the Labour election victory in 1997, said, later that same year: 'There will be 12 million visitors coming to Greenwich. They will not just want to visit the Dome. We need to ensure that they want to taste and see the whole range of what Britain as a country has to offer.'[11]

The bullish nature of such statements were clearly designed to boost the millennium experience as something that not only had appeal to the British but a wider international appeal that would make Britain a focus of global attention. Since there was still no idea of what the Dome would actually display in its protective cover, both the ministers involved were at least guilty of indulging in public-relations puffery but also perhaps of inviting the punishments of hubris. The optimistic tone of such statements was clearly intended for public consumption, to whet the public appetite for what was to come, but it could go no further than this. As ministers had deliberately isolated themselves from hands-on control of (and responsibility for) the Dome, there was actually little that they could do beyond serving as the public supporters of the scheme. This indicates a weaknesses of the quango approach to managing public affairs: ministers will inevitably attract the criticisms that are made of the activities of the quangos that are involved, regardless of whether such criticisms are justified.[12]

As regards the actual siting of the Dome in Greenwich, the question of ministerial responsibility does raise its head, meaning that the hard-

and-fast distinction between ministerial involvement (or interference) in the affairs of nominally independent quangos and direct ministerial accountability becomes confused. There is little doubt that behind-the-scenes interventions can have significant implications for the decisions that are made within such organisations. It is evident that the potential urban regeneration gains for Greenwich, had some effect on the locational decision-processes of the Millennium Commission. In this instance, the final choice of Greenwich, with all of its symbolic resonances, was almost universally approved. Apart from the grumblings of Birmingham (which had actually developed a much better plan, had lined up sponsorship deals, and had some notion of what the event would contain and what to do with the site once the millennium year was over), there was little complaint from anywhere else, including the media. In hindsight, one can argue that the choice of Greenwich was not perhaps the most *effective* one that could have been made. While site improvements, particularly in the transport infrastructure, *have led* to a partial fulfilment of the government's avowed redevelopment aims, the long-term prospects are less certain.

This lack of certainty also affected the Dome in terms of what it displayed. As late as December 1997, it was clear to the Commons Select Committee on Culture, Media and Sport that 'its success will depend crucially upon its contents, and ultimately upon its use thereafter',[13] implying that neither of these had been clarified by that stage. Significantly the government response to the report in question makes no reference to this point. It does refer to the early stages of developing an exit strategy for the site, although stating that the best time to make decisions on this would be in 2000.[14] The abdication of responsibility by the government effectively reached its greatest on the question of content. In two zones the entire display was controlled by private businesses (Ford for the 'Journey' zone, and British Telecom for the 'Talk' zone), while others were heavily influenced by the interests of the sponsors involved.

It would be disingenuous to expect sponsors to hand over large sums of money for so big a project without some input into what is to be shown. Indeed, certain sponsors used the event as a showcase for advertising their wares. The Ford motor company, for example, ensured that no car other than a Ford was seen. To criticise sponsors is rather to miss the point of their view of sponsorship anyway, which is that their financial support provides the opportunity for as much direct and indirect advertising for themselves as they can get. It is also important to note that as far as the public at large was concerned, the Dome and its contents were a success, with approval ratings of over 85% commonly found. While this could be taken to indicate a lack of taste or depth of analysis and of scepticism amongst the public, it could also be taken to show that the contents provided the entertaining and educative day-out they were intended to.

The complexity of management structures has already been noted. Use of the Millennium Commission and the New Millennium Experience Company had clear advantages for government, at least in the short-term, in strengthening its ability to pass the buck; but it also created longer term problems for the government, particularly when the anticipated visitor numbers failed to materialise. The complexity of the managerial structures made the media campaign to pin responsibility for obvious failings onto somebody understandable. Given the political antagonism that existed between parts of the media and the government, the desire to see heads roll for the short-comings of management is perhaps an expected reaction.

The government's ability to shrug off much of the criticism of the Dome depended upon deflecting criticism from itself; and for ministers answering questions in Parliament this was the political equivalent of shooting fish in a barrel—so simple as not to be worth worrying about. Placing ministerial responsibility for the Dome with junior ministers rather than Secretaries of State indicated the significance placed on the Dome by the governmental machine as a whole. The government position started to unravel in the aftermath of the millennium year. As part of the overall managerial weaknesses that had affected the Dome throughout 2000, the failure to develop any coherent strategy for the disposal of the site stands out. The government had already stated in February, 1998 that this issue would be best left until 2000. Regrettably, it would seem that it then became neglected as other, short-term, difficulties of the project dominated. The idea behind the choice of Greenwich—that the millennium project would act as a spur to area regeneration—remained, even if the specific details of what this might entail remained undefined.

If disposal of the site caused problems, the actual process of selling the Dome itself was, to be polite, a rather shambolic one. 'Preferred' bidders dropped out as they failed to match the governments asking-price. Meanwhile, the cost of maintaining the structure steadily mounted. The eventual sale in May 2002 to the American entertainment conglomerate Anschutz Entertainment Group may have been a relief to the government but still left questions open. The Anschutz Group is intending to turn the Dome into an entertainment centre, following extensive interior remodelling. This centre is unlikely to open before 2004 and raises doubts about the extent to which the original area regeneration aims behind the choice of Greenwich will be achieved.

Government difficulties were made worse by the problematic nature of the relationship between the Dome's publicity machine and the media. Presentation of the Dome as being a crisis for the government was largely the result of media claims that it was one. While the Dome was a poorly managed exercise in public jollity, the appalling coverage that it received did not help it retrieve any public goodwill. At the very least, there must be some questioning of the ability of the govern-

mental media machine to spin an effective response to continuing difficulties. While it is relatively easy to paint a picture of political antipathy between sections of the press and the government, the reality is somewhat more complex. The continual reappearance of problems connected with the scheme indicates that the media were simply doing their job of identifying areas of legitimate public concern, especially in terms of the poor management and escalating costs associated with the Dome. To blame the media for pointing these failings out is to be rather unfair.

The fact that the news concerning the Dome continually put it in a bad light made the government's job of news management in favour of the Dome an increasingly difficult one. The standard response of the government to the strident labelling of the Dome as a crisis was to either evade the issues by pushing responsibility onto the Millennium Commission and the New Millennium Experience Company or to produce a series of soothing platitudes. This did little to still the baying press-pack. The limited ability of the government to manipulate media coverage (largely because the original scheme was so poor) actually points to a further weakness in the handling of the affair. While the Millennium Commission and the New Millennium Experience Company were being encouraged to construct contingency plans to deal with potential difficulties with the Dome,[15] the government appears to have forgotten to do the same itself. By failing to create a thought-out longer-term strategy for dealing with the issues that the Dome was creating, it was forcing itself to undertake 'fire-brigade management' in the sense of reacting to short-term problems and immediate emergencies rather than resolving the core issues involved. This view is reinforced when the absence of any long-term exit strategy for the scheme is taken into account.

The nature of the crisis

While the Dome cost a great deal more money than had originally been envisaged, its problems were really rather unimportant. This may appear to underplay the significance of the Dome issue for the public and the government but is intended in a rather more comparative context. In comparison with such issues as Bovine Spongiform Encephalopathy (BSE) or the foot-and-mouth crisis and their effects on British agriculture, the Dome was more of an ongoing embarrassment for government than anything else. This embarrassment was bad enough, showing its weak ability to oversee a major project and suggesting that Labour's claim to be financially prudent was at least debatable. In larger terms, however, the issue was never one that could have led to the downfall of the government. The separation of the government from direct responsibility also helped to defuse the seriousness with which much of the Dome problem was treated by the public—which largely saw it as a bad joke—as did the fact that the costs did not fall

directly on the public as a clear charge. To this extent, at least, the Dome was something of a political side-show, generating a great deal of hot air, particularly amongst those with an axe to grind, but no lasting damage to the government as a whole.

There is also the fact that the Dome was hardly a central component of government policy in the first place. As a minor addition to the wealth of policy initiatives and priorities that the government had, it did not call for anything other than the avoidance of total disaster. This was probably a saving grace for the Dome. While it created some turbulent moments for the government, the storms that broke about it could be weathered fairly easily. Indeed, the lack of a positive strategy for managing the problems of the Dome probably helped the government: as it had not committed itself to any particular sort of action and had not directly made any specific claims for or about the Dome, it could be difficult to lay the blame for any failings at its door. This, in turn, was assisted by the fact that the Dome itself had generated little in the way of political action. Except for some preliminary, and rather half-hearted, lobbying on the behalf of the different potential sites, there was little, if anything, in the way of concerted party-political or pressure-group activity connected to the saga apart from the ritual of parliamentary questioning and debate.

The absence of any coherent political mobilisation for or against the Dome at any stage of the process was largely reflected by the treatment of the issue nationally. The ritualistic party-politics of Parliament took place along predictable lines. The specific issues connected with the Dome itself tended to take second place to the usual calls for resignations as the depth of the problems became increasingly apparent. The extent to which this was due to the weaknesses of the opposition parties during the life-span of the Dome, and the extent to which it was due to the size of the Labour majority, is open to debate. What cannot be doubted is the weakness of parliamentary debate as a mechanism for anything other than party-political points scoring.

The above may be taken to imply that the role of Parliament in the Dome story was largely unimportant, particularly in the light of the emphasis that has already been placed on the role of the media. That, however, would be to undervalue the mechanisms of parliamentary scrutiny. Given that ministers had no formal direct control of the Millennium Commission and the New Millennium Experience Company, Parliament was limited in what it could achieve. This did not prevent the generation of a great deal of parliamentary activity however. Reports at various stages of the sorry saga were produced by the Culture, Media and Sport Select Committee, the Public Accounts Committee and the National Audit Office. Hundreds of written and oral questions were produced, demanding responses from ministers and civil servants. This produced some damning indictments of the paucity of thought and managerial ability that lay behind the scheme, even if

Parliament was really never in a position to pin accountability on ministers.

The absence of a well-populated pressure-group universe around the issue of the Dome also served to play into the hands of the government. Its sui generis nature, and its location on a site that was effectively a blank canvas meant that there was little in the way of a natural constituency of opposition which could have been readily mobilised. This freed the core actors in the system from the need to address issues commonly found to surround other cases of crisis, and served to mute the disquiet of the public as a whole because there was no obvious forum for the voicing of such discontent. In this respect, the media became a form of pressure-group by proxy, raising matters of concern and attempting to influence the actions of government but without the usual forms of legitimation that pressure-groups acquire from their memberships. Such weakness contributed to the ease with which the government could downplay questions raised by the media and avoid accepting responsibility for things that went wrong.

Conclusion

In general, it is clear that the government was in such an advantageous position for coping with the continuing crises associated with the Dome that its security in office was never at risk. The isolation from formal institutional responsibility through the use of quangos and the absence of any established or new forms of pressure-group made the lack of any coherent government strategy an asset rather than a problem. The fact that the government was not committed to specific actions provided sufficient room for manoeuvre, allowing it to ride out bad publicity with minimal impact on its popularity or election chances.

To this extent the government should count itself lucky to have come off so well from a project that never really had a chance of being the success that was intended. Given the paucity of strategic thought, the weaknesses of management at all levels within the system, and the failure to generate at least the affection of the British public if not its actual love, what is surprising about the Dome is that it did not prove more damaging to the government. The particular nature of the Dome enterprise—as a one-off scheme that was intended to have a short life—certainly contributed to this fortunate state of affairs for the government. It is unlikely that a government that reacted as poorly to other crises as the Labour government did to the problems of the Dome would have come out so relatively unharmed. Management of the Dome thus stands out as a special case, though future governments may well wish that crises they come to face have a similar character. Survival by doing as little as possible can appear an attractive proposition. But the ability to ride out a publicity storm like that generated by the Dome is unlikely to be an option where the nature of the problem and the demands for action from established groups mean that evasion of